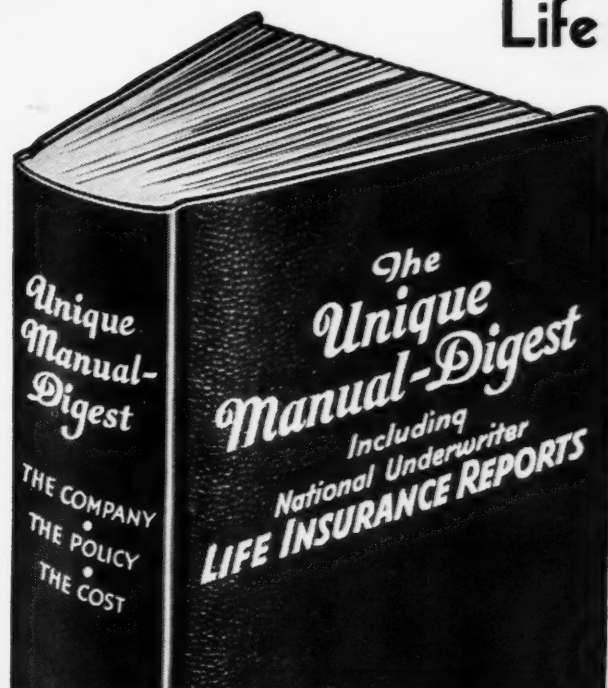


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FRIDAY, OCTOBER 25, 1940



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**The OHIO NATIONAL
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO

T. W. Appleby, President

The NATIONAL UNDERWRITER

Forty-fourth Year—No. 43

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, OCTOBER 25, 1940

\$3.00 Year, 15 Cents a Copy

Medical Directors Elect D. B. Cragin President at Boston

Predict Use of Sulfanilamide Will Reduce War Mortality

NEW OFFICERS ELECTED

President—D. B. Cragin, Aetna Life.
First vice-president—D. E. W. Wenstrand, Northwestern Mutual Life.
Second vice-president—William Bolt, New York Life.
Secretary—E. G. Dewis, Prudential.
Treasurer—A. O. Jimenis, Metropolitan Life.
Editor of proceedings—H. E. Ungerleider, Equitable Society.

BOSTON—Use of sulfanilamide and its related compounds among American soldiers in the next war may reduce by about 12 percent the total number of deaths, or by about 25 percent those not due to actual combat, Dr. J. G. Irving, assistant medical director Aetna Life, pointed out before the Association of Life Insurance Medical Directors of America at its annual meeting here.

Dr. Irving pointed out that last year 187 tons of sulfanilamide had been used in hospitals in the United States. The success of its use can be seen in the fact that the crude mortality rate from pneumonia of all forms has been reduced by one-third.

In a paper on "The Present Status of Chemotherapy in the Treatment of Infectious Diseases," Dr. C. S. Keefer, Boston University medical school, discussed the use of sulfanilamide, sulfa-pyridine and sulfathiazole in the treatment of various infectious diseases.

Can Detect Lead Poisoning

Dr. D. B. Cragin, Aetna Life, presented a preliminary report upon "Detection of Metallic Poisons in Some Types of Anemia." Lead poisoning in its initial stages can now be detected long before clinical signs are evident. This makes it possible to determine whether applicants exposed to lead poisoning have absorbed lead to any objectionable degree, he said.

Dr. C. R. Rein, Metropolitan Life, discussed the various types of serological examinations for detection of syphilis, pointing out the relative merits of the various tests. By the use of very small quantities of blood it is easy to determine the presence of syphilis.

Dr. M. B. Strauss, Harvard Medical School, discussed various disorders due to nutritional deficiencies. He pointed out that the lack of iron in the diet was the chief nutritional deficiency and, as a rule, easily corrected by the administration of ferrous sulfate by mouth. The giving of vitamins is now in a period of commercial exploitation and many ex-

(CONTINUED ON PAGE 11)

Militant Attitude Is Urged by Hull

Regardless of Election's Outcome, Life Men Must Be Alert

PHILADELPHIA—Inertia on the part of life underwriters the next four years "may not only spell ruin to their business, but may be responsible for the action which will substitute for the private, competitive system of life insurance, a political spoils system," Roger B. Hull, managing director National Association of Life Underwriters, told the Philadelphia association at its first fall meeting.

Talking on "After the Convention, What?—After the Election, How?" Mr. Hull warned that, regardless of the choice of a president and a political party, the coming four years may see life insurance become "an instrument of government."

Face Uphill Road

"Regardless of the outcome of the election, we begin a trek along an uphill road, first, back to economic security and then on to the defense of modern civilization. Under the burden and the shame of a staggering public debt, under the handicap of pitiful and prolonged unemployment, in the shadow of continuing relief appropriations for those who would work if they had a chance, we face the larger problem of preparing to defend democracy.

"In the most critical hour of our national life, there must be a unity of purpose such as we have never known before. Regardless of who is elected, our people have become divided. Their confidence, in each other and in some of our most fundamental institutions, has been poisoned. The burden upon the next president of the United States will be terrific."

Mr. Hull asked his hearers to respond to the challenge with "the spirit of heroic unity which has characterized the people of the British Empire," and advised them to "forget partisanship and place citizenship above all else."

"We must enlist in what may turn out to be the last stand of democracy. The survival of freedom, the security of the nation, the peace of the world are at stake. We are entrusted with a heritage which we must preserve. Americans, living and yet unborn, are counting on us. We must not fail."

Attacks TNEC Methods

In discussing the Temporary National Economic Committee investigation, Mr. Hull declared it has become apparent "that the underlying purpose and objective was to underplay or entirely ignore the many strong factors inherent in our institution, and to highlight and exaggerate rare and minor irregularities, so that the final report of the congressional committee might make state supervision of life insurance appear to have been grossly inefficient, and in order that federal regulation would appear to be not only desirable but necessary."

Every life underwriters association is faced with a responsibility to do everything within its power to work for a

Thompson Heads Insurance Institute

Mutual Benefit Vice-president to Direct Educational Organization

NEW YORK—John S. Thompson, vice-president Mutual Benefit Life, was elected this week president of the Insurance Institute of America, the educational and study organization at its



JOHN S. THOMPSON

32nd annual conference. There are a number of vice-presidents and governors composed of fire and casualty men. President J. A. McLain of the Guardian Life was elected a governor.

Some 500, many accompanied by their

(CONTINUED ON PAGE 11)

continuation of state supervision, Mr. Hull declared. "We have been devoted to the principle of keeping life insurance out of politics. Now, apparently, we must turn that around and spend and be spent in keeping politics out of life insurance. That has become, whether we like it or not, one of our major responsibilities."

Mr. Hull urged serious consideration be given the increasing public debt. "Life insurance and annuity contracts are payable in dollars. It is therefore of the utmost importance that any action which is taken should not impair the future purchasing power of the life insurance and annuity benefits of policyholders and beneficiaries," he said.

"Unsound federal fiscal policies necessarily undermine the safety of investments in fixed obligations. Any course of action which might lead to national insolvency, whether in the form of crude inflation, or repudiation, or in a changed economy by which the capitalistic system gives way to some form of managed currency along the lines of the totalitarian states, would impair the individual and collective security of 64,000,000 policyholders."

New Moves May Void Effect of Reverter on Estate Taxes

Correct Valuation Virtually Wipes Out Levy, F. L. Morton Points Out

NEW YORK—Careful scrutiny of recent developments indicates that the whole question of estate tax liability arising from the possibility of a reverter contained in assigned life insurance policies may be of much less importance than has formerly been assumed, according to Forrest L. Morton, tax adviser of the Julian S. Myrick agency, Mutual Life, New York City.

Mr. Morton's investigation has convinced him that a mere retention of a reversionary interest in assigned life insurance policies does not subject the entire proceeds of the insurance to estate tax but only an amount equal to the "present value" of the reversionary interest as of the date of the insured's death. If this is true, then the chance of an insured outliving his wife and perhaps the last survivor of several children would be so remote that the value of the reversionary interest at the date of his death might be an infinitesimal amount.

Wouldn't Mind Liability

While an insured might not care to face the possibility, however unlikely, of a large amount of his insurance passing completely out of his control in the event that all of his beneficiaries should predecease him, nevertheless, he would probably hesitate to provide for a reversionary interest to himself if he felt that such a provision might subject the entire proceeds of the insurance to estate tax in the event of his death. On the other hand, if only the value of the reversionary interest is to be made the subject of the tax, then it is quite possible that the insured would be willing to face this liability for the privilege of regaining control of his insurance should all of his beneficiaries predecease him.

The reversionary interest was a key point in the famous Bailey case which has recently been settled out of court, making it impossible to obtain a final decision of the United States Supreme Court on this important phase of the subject. It is interesting to note that a compromise arrangement was also reached in the Keefe case which involved a similar situation.

Bailey Decision Disturbing

Because of the decision of the United States court of claims in the Bailey case there has been considerable replacement of life insurance policies on the theory that the retention of a reversionary interest would subject the full value of the proceeds to estate tax. An

(CONTINUED ON PAGE 23)

Signs of Federal Regulation Aim Are Told by Zimmerman

Senator Joseph C. O'Mahoney to the contrary, there is not a single commendatory or even fair word in the SEC report to TNEC on the life insurance institution, C. J. Zimmerman, immediate past president National Association of Life Underwriters, told a special meeting in Chicago sponsored by Fred S. James & Co., large general insurance agency, and everything in it "undermines confidence of the public" and "lays the groundwork for a public demand for federal regulation of life insurance" which the public so far has not asked because it has faith in the institution.

Mr. Zimmerman pointed out many signs indicating there were definite objectives of some officials conducting the probe, one being to set up the need for federal regulation. One sign was that about 90 percent of the report was devoted to field practices and 10 percent to investments and possible domination of industries through the financial end, although the latter was the announced intention.

Forces Stand Together

"Some may have supposed the life insurance companies were comparatively defenseless," Mr. Zimmerman said. "They may have thought there was a division between field representatives and management, and that an attack on management would please the agents. This was not true. The paramount interest of both groups is the public interest and they stood together. The life insurance assets represent the last free reservoir of the people's savings that is not under federal control and regulation.

Politics Out of Life Insurance

"We have tried to keep life insurance out of politics and we must and will keep politics out of life insurance. We have every right to do this and it is our duty to policyholders.

"What are we going to do about this? If we believe in a political party's plank promising continuance of state regulation of insurance, our way is clear and we have the power through our ballot to prevent government interference with the insurance business."

"Why oppose federal regulation?" Mr. Zimmerman asked. "It is true the states haven't done too good a job at times. There have been some breakdowns. However, we should recognize that these breakdowns are not confined to the states but also occur in Washington due to human nature and faults of our political system. When they occur in a state, at least they are confined within its boundaries but when they occur in Washington the effects spread throughout the 48 states.

"Some of us feel there has been too much centralization in Washington. Based on past history, federal regulation of insurance soon would lead to federal control. We have a duty to restrain the grasping hand of federal government."

Inspired Newspaper Stories

Mr. Zimmerman cited as a straw that indicates the direction of the wind the many newspaper stories that were obviously administration inspired, hinting of a sensational exposé in life insurance, of grossly overvalued assets. These later, he said, were proved false by the SEC report which found the assets, if anything, undervalued. There was the refutation by 156 life companies in a statement held for release subject to TNEC, and finally permitted to be printed the same day that government men "blew the lid off" again with a story that hogged the public attention.

"If the assets were sound," he asked, "why disturb the people by leaks to the newspapers telling only part of the story? Senator O'Mahoney in his vehement talk before the American Life Con-

Vice-Chairman



GRANT TORRANCE

Grant Torrance, treasurer of the Business Men's Assurance, who has been elected vice-chairman of the Financial Section of the American Life Convention, is a native of Ellinwood, Kan. Before becoming connected with the Business Men's Assurance in 1932, he was associated with the investment firm of Mackubin, Legg & Co. of Baltimore. He started with the Business Men's Assurance as division supervisor in the sales department and later was shifted to the investment department. He became assistant to the treasurer, then assistant treasurer and in January, 1939, was made treasurer. He attended Washington University and then went to the Harvard School of Business Administration.

vention, scoring what he felt to be unjustified charges about the TNEC striving to set up federal regulation, said misrepresentation and distortion of facts is an attack on democracy in disseminating falsehoods. I wonder if he is aware of the falsehoods that have come out of Washington about life insurance from his own committee? It seems to me there has been a bit of destruction on the other side.

"Senator O'Mahoney said the life in-

N. Y. Turns Down War Clause Based on Insured's Status

NEW YORK—The proposal of companies operating in New York state to issue war clauses based on the insured's status as a member of the armed forces at the time of death, rather than on death being caused by military service, has been turned down by Attorney-general Bennett of New York. He gave no opinion beyond stating that the proposed clauses would be contrary to the present insurance code and stated that exclusion or limitation can be based only on cause of death and cannot be based on status.

Governor Lehman at the last session vetoed a bill which would have made war clause exclusion depend on status, as is the case in many other states. The possibility of misunderstanding as to what constitutes death resulting from military or naval service is so great that the companies would much prefer a status basis. This would apply only to deaths while in service or, if directly caused by war service, within six months thereafter, while the present law would permit companies to deny liability years later if death were the result of a war injury.

Insurance people were most critical and unfriendly to him at times. Perhaps they were. They had some excuse. The men were taken to Washington and treated with the greatest disrespect. They started out friendly and cooperative with the TNEC study."

Enormous Tax Bill Paid by the Consumers Today

MINNEAPOLIS — American consumers will pay \$9,750,000,000 in taxes, or not quite two-thirds of the nation's total \$15,000,000,000 tax bill, in the prices of the things they buy in 1940; the consumer's tax contribution this year figures 19.3 cents per dollar spent, compared to 19 cents in 1938, according to a new study of taxes contained in retail prices, made by Northwestern National Life.

The study estimates federal, state and local tax collections for the calendar year of 1940 at a total of \$15,150,000,000. Of this sum, items totaling \$5,382,000,000 are directly paid and should have

Effects of War in Canada Analyzed

TORONTO—Interest earnings, mortality rate and expense are three important problems which confront life companies here as Canada enters its 15th month of the war, E. E. Reid, president Life Insurance Institute of Canada, declared at its meeting here. Mr. Reid is general manager of the London Life.

"Returns on investments are obstructed by government regulations. Mortgage agreements have been freely modified by provincial acts and, in many cases, with detrimental results both to the borrower and the lender. During the last war interest rates rose to a high point; today they have been forced to a low level. Without assurance as to what the future holds, we have had to adopt more conservative rates for the interest factor in both the dividend scales and settlement options," Mr. Reid pointed out.

Mortality Experience

"War conditions make mortality experience uncertain. In the last war it was not the mortality due to active service that embarrassed the companies so much as the influenza epidemic of 1918-1919. Our medical friends may be able to prevent the spread of such epidemics in the future but we have no guarantee that this will be the case.

"The generosity of the companies to staff members enrolled in active service will tend to increase the expense rate for the time being. As an offset it may be necessary to eliminate some of the so-called 'service features' of our business and in this way cut down the amount of work usually carried on at the head offices. Many head office staff members will have to take over other types of work than those to which they have been accustomed," he said.

little effect on retail prices, the study states, specifying under this group income taxes, estate and inheritance taxes, employees' social security contributions, taxes on owner-occupied residences, etc.

The remaining \$9,768,000,000, the study finds, consists of taxes which are part of the cost of doing business, and so would necessarily be included in selling prices, like any other costs, and therefore must ultimately be paid by the consumer.

Speakers at Research Bureau-Agency Officers Parley



J. G. PARKER

At the annual meeting of the Research Bureau-Agency Officers Association in Chicago next week, three of the speakers will be J. G. Parker,



VINCENT B. COFFIN

general manager of Imperial Life of Canada; Vincent B. Coffin, vice-president Connecticut Mutual Life and chairman of the board of the Research Bu-



GEORGE E. LACKEY

reau, and George E. Lackey, general agent Massachusetts Mutual Life at Detroit, who will speak for the men in the field.

Industrial Survey Misinterpreted by SEC, Says Johnson

WPA Facts Show Satisfactory Situation Ignored in Public Report

BOSTON—"The SEC report of the WPA survey of industrial life insurance in Massachusetts was definitely biased and the SEC interpretation was often at variance with the facts developed by the WPA," Holgar J. Johnson, president Institute of Life Insurance, declared before the Boston Life Underwriters Association.

"The information given to the public concerning this survey was handed out by the SEC," Mr. Johnson said. "The WPA, which made the survey, did not present the report direct to the public, and, unfortunately, the SEC did not confine its report strictly to the facts of the survey."

"The facts of the survey are unquestioned. They represent a really remarkable tribute to life insurance, if taken on their own merit," Mr. Johnson stated. "The story given out to the press by the SEC was a different matter—it was definitely biased—it overlooked constructive material and gave only those things which emphasized what the SEC wanted said."

Lapses Remarkably Fair

"The report indicated that the lapse ratio of industrial insurance was excessively high. On the contrary, the WPA investigation gave proof of a remarkably fair lapse rate, considering all the factors. It showed (which the SEC report failed to mention) that over 60 percent of the families had never lapsed a policy, which is an astonishing fact. Lapses among the low income families are numerous, of course, because unemployment, reduced income and serious illness annually force thousands of families to retrench (as the report itself states). But it is also stated that life insurance is usually the last item dropped from the budget. And, of course, life insurance has no control over these economic circumstances that create most lapses."

"As to the claim in the report that these workers' families had too many policies, with cases of 23 and even 43, policies per family, a careful check of these cases was made. In no case did we find there evidence of 'too many policies' as the SEC indicated. Take the case of the family with 43 policies. That sounds excessive for a worker's family, without giving consideration to all the facts in the case which were in the WPA report."

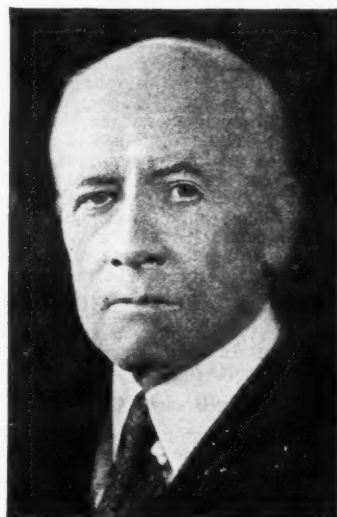
Situation Is Explainable

"What the SEC summary did not say was that this family, with three employed, had an aggregate family income of \$4,224; and there are 10 members of the family, each with a normal amount of insurance, averaging \$1,741 per person; and that the policies had been purchased year by year for 43 years, as the family grew and prospered. It was indeed a fine example of American thrift."

"As to the allegation that American people put too much money into life insurance, the WPA survey showed that over 66 percent of the families surveyed have their entire life savings represented in life insurance. That is a tribute to the institution of life insurance; that 66 percent of our people choose, of their own volition, from all the avenues of saving available to them, to place first

(CONTINUED ON LAST PAGE)

Rounds Out 50 Years with Penn Mutual Life



SYDNEY A. SMITH

Sydney A. Smith, secretary of the Penn Mutual Life, has just completed 50 years in its service. He graduated from Germantown Academy and then studied at business college, and after a short experience in a publishing house, in 1890 he joined the actuarial department of the Penn Mutual. He was soon transferred to the secretary-treasurer's department, and in 1903 was appointed cashier, assistant secretary in 1914 and secretary in 1921.

Fellow officers of the Penn Mutual gave a luncheon in honor of his half century anniversary and in honor of the recent 50th year anniversary of Charles Hall, cashier. At the head table sat the four employees whose length of service

Havens New Head of Pacific Actuaries

Annual Meeting Was Devoted Largely to Insurance for Draftees

DEL MONTE, CAL.—A. W. Havens, superintendent mathematical division Pacific Mutual Life, was elected president of the Actuarial Club of the Pacific States at the annual meeting here. He served as vice-president last year. R. N. Griswold, second vice-president and actuary California-Western States Life, was elected vice-president, and H. R. A. McCorkle, assistant actuary Occidental Life, secretary. These officers with F. E. Young, actuary Western Life, and B. N. Coates of Coates & Herfurth constitute the executive committee.

Interest appeared to center on contemplated action of companies regarding draftees and those subject to the draft, and the interest rate question.

F. M. Hope's Paper

Sessions opened with a discussion of "Adequate Insurance of the Nation Under the Voluntary System—How to Provide Adequate Voluntary Insurance for the Nation at a Cost Within a Reasonable Percentage of the National Income," by F. M. Hope, vice-president and actuary Occidental Life. He

(CONTINUED ON LAST PAGE)

totals over 200 years. In addition to Mr. Smith and Mr. Hall were W. H. Kingsley, chairman of the board, and M. A. Brown, unit sales manager. President John A. Stevenson presided at the luncheon, and on behalf of those assembled presented Mr. Smith and Mr. Hall each with a handsome silver service.

Substitute for War Risk Insurance Is Proposed

Zimmerman Suggests Free Indemnity for Service Men as Less Costly

The government may be asked to provide war risk indemnification against death and disability for its armed forces without charge to the men, in place of the present plan authorized in amendment to the excess profits act which many life insurance men believe is a dangerous threat to the system of private life insurance and all private enterprise, C. J. Zimmerman, immediate past president National Association of Life Underwriters, declared in a talk at the fall meeting of the Chicago C.L.U. chapter. It is likely an amendment in Congress to this effect will be sponsored by service men.

The project took more concrete shape this week with the transmission of a letter by Mr. Zimmerman to a high official of the American Legion, which set forth in detail the disadvantages of the old world war I war risk insurance plan and pointed out that to make available up to \$10,000 government life insurance per man, as authorized under the present act, offered to the estimated 1,000,000 new conscripts each year, with the privilege of changing later to permanent insurance even though they return to civil life, would probably take care of the life insurance needs of the young men for a great many years and remove a dangerously large number of life insurance prospects from the market for private life companies.

Vast Totals Are Involved

Mr. Zimmerman told the C.L.U. chapter that under the semi-compulsory manner in which the war risk insurance was placed in 1917, about 95 percent of the men in the U. S. armed forces took insurance, their premiums being deducted from their pay. If experience is similar in the future, the government would put in force annually about \$10,000,000,000, or approximately 1/12 of the total private legal reserve life insurance now in force. Mr. Zimmerman said in the last war about \$40,000,000,000 of war risk was issued at a time when the private life companies had only about \$43,000,000,000 in force.

He made the point that in 1917 the country really was at war. There was an excuse for the government to issue this insurance since it could not be underwritten by private life companies. The actual war risk could not be measured actuarially and it would have been a gamble. This coverage properly was a function of government, and at the time the act did not contemplate extending the coverage to private life in later years. The amendment to the excess profits tax act, however, he said, now offers five year term insurance to the draftees who are taking only a year's training, to return then to private life subject only to call in case the country goes to war. Yet the act would permit them to continue the insurance as private citizens on a permanent basis.

Attacks Free Enterprise Plan

"The 200,000 life insurance salesmen in this country feel that there is a real threat, not only against their livelihood but against the system of free private enterprise as represented by the private life insurance companies, under the present method which has recently been

(CONTINUED ON PAGE 10)

NEW SCORES

An undaunted underwriter writes to the direct mail department about a problem and a solution:—

"Something has to be done to uncover some prospects. My normal prospects have reached the over three-score age with me, and are either loaded up, or too old, or uninsurable. I have now got to reach down a score or more, or, like the Arab, fold my tent and silently steal away.

"Which I won't, at least until I have explored your direct mail doodlebug of locating prospects. I have a nice new city directory, and know there are a few thousand prospects in it,—but who are they? A hundred pages have given me 250 names of people I don't know. There are 700 more pages, so I can see a lot of somewhat selective names.

"In selecting names I hope to locate 500 women in more or less good positions, and I want to send them all a Valentine in re retirement income.

"I expect to get a list for father-and-son insurance, and other lists. During 1941 you can use me as a guinea pig to see if old salesmen can be rejuvenated."

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Advertising Useful to Agent: Gamble

Massachusetts Mutual Man Tells C. L. U. Chapter Some of Functions

The billions to be spent for national defense will find their way into payroll and profit, will fatten the pay envelopes and ring cash registers throughout the land, Seneca M. Gamble, manager of field service Massachusetts Mutual Life, told the District of Columbia C.L.U. chapter at a meeting this week. Salesmen in every line of business will be pressing the people to buy merchandise and commodities.

"What will it all mean to you?" he asked. "Will you get your share of the circulating dollars?"

Mr. Gamble said that the C.L.U. designation of itself will not guarantee success, even though prospects with surplus dollars to invest may be on every hand. There will be the same need for prospecting, planning and organizing every step leading to the sale.

Also Cites External Problems

"Now as never before, selling requires telling," he stated. "To obtain more volume it is necessary either to create new markets or to sell more to those customers you now have. And this additional volume will go only to those who work for it. It is one thing to know what to do and how to do it, but it is a different and most difficult problem to be persistent in doing the things we must do to succeed. Such difficulties are internal, but there are also external obstacles in your pathway to greater success.

"Busy men are your only good prospects. They are the ones who have money to pay for life insurance. But busy men have bad memories. They may never forget any fact of major importance relating to their business, but they do forget their need for life insurance. If you want to land a busy prospect, your message must be kept before him. He must be reminded so that he will not forget.

"But with many prospects to interview and much time consumed in planning your sales presentation and rendering service to present clients, you cannot give yourself sufficient reminding support. You need outside help."

Outside Advertising Aids

Mr. Gamble pointed to the great volume of outside help which the life companies are providing for the agents today, in the form of newspaper, magazine, radio and signboard advertising, the weekly column and the movies of the Institute of Life Insurance. Then, finally, he said, there is direct mail help which is made available by a great many companies. If the agent's own company does not do this, he can do his own advertising by mail, helping to individualize his service.

Direct mail, Mr. Gamble concluded, if regularly and thoughtfully used, will give the agent a track to run on and a schedule to guide him. It will help to plan the work and avoid costly lost motion. Its value, the same as with any form of advertising, is in the ability to assist the agent in producing business. The value is made real through the agent's thoughtful use of the service. Mr. Gamble said the agent who attempts to tackle the job singlehanded will be extremely busy. He may impress his ideas upon 100 prospects, but in four days 75 of them will have forgotten his message. Iteration and reiteration are necessary if an agent wants to survive. It is this function which advertising so effectively can perform.

Mr. Gamble is nationally known as an advertising and sales promotion man and was in charge of publicity of the 1939 Annual Message of Life Insurance.

Exhibits Chairman



JACK R. MORRIS

The exhibits feature of the Life Advertisers Association meeting at Washington, D. C., was one of the most interesting and helpful of the activities of that large body. Jack R. Morris of the Business Men's Assurance was chairman of Group No. 2. He is editor of the Business Men's Assurance house organ and also looks after its advertising and other features.

Paul Hommeyer Victory Rally

About 40 members of the Paul G. Hommeyer agency of Union Central Life, not only from Minneapolis, but from Duluth, Fargo, N. D., and other points will attend an all-day meeting in Minneapolis Saturday. The home office will be represented by K. D. Hamer, assistant superintendent of agencies. A contest has been under way in the Hommeyer organization with exceptional results. Production during October promises to reach better than \$800,000, which is the largest month in the history of the agency.

Gains Registered in All Sections During September

HARTFORD—The monthly compilation of ordinary life insurance sales by states issued by the Life Insurance Sales Research Bureau shows that for September all sections continued to register gains. The total sales were \$503,427,000 in September, and for the first three quarters of 1940 were \$4,888,688,000.

The Pacific Section (Washington, Oregon, California) led with a gain of 20 percent over September, 1939. California, with 21 percent, was the leading state in this group. The east north central section (Ohio, Indiana, Illinois, Michigan, Wisconsin) was second with 18 percent. Indiana, showing a 29 percent, was leader in this section.

States Showing Greatest Gains

The states having the greatest gains for September were: Virginia, 33 percent; South Carolina, 33; Indiana, 29; Connecticut, 28, and Georgia, 27.

Of the eight principal cities on which sales data are gathered by the Research Bureau, Chicago showed the largest gain for September, 27 percent. Sales in the other seven cities for September as compared with September, 1939, were: Boston, 109 percent; Cleveland, 116; Detroit, 106; Los Angeles, 111; New York, 109; Philadelphia, 115, and St. Louis, 110.

RECORDS

Lincoln National Life—The Texas agency led all agencies in paid business for the first nine months. O. D. Douglas is manager.

Mid-Continent Life—September business was greater by 20 percent than that of September of last year. It was the fifth consecutive month to record a gain.

Read Carroll C. Day's "Little Red Wagons and Little Red Boots." Send \$1 for eight copies to National Underwriter.

Excelsior Life Observes Golden Jubilee



ALEX. FASKEN



C. Q. PARKER



T. O. COX



C. P. MUCKLE

For more than a year the leading representatives of the Excelsior Life have been looking forward to meeting in Toronto this week to celebrate its golden jubilee. Owing to the war, the celebration has been cancelled, and every representative will be "on the job" in his home territory persuading policyholders to help Canada's war effort indirectly by increasing their insurance holdings.

The Excelsior Life opened its doors for business Oct. 15, 1890, and in the ensuing half century its assets have grown to \$22,650,000 and its insurance in force now exceeds \$115,000,000. First president was E. F. Clarke, then mayor of Toronto. In 1900 David Fasken, prominent lawyer and mining executive, was elected president, remaining in office until his death in 1929. Alex. Fasken, brother and law partner of David Fas-

ken, became president in 1930. He is well known in mining circles, as well as being a director of other companies. In Toronto he is chairman of the board of governors of the Toronto Western Hospital.

As with many other insurance companies, most of the present executive officers are men who joined the organization at a youthful age and have grown up in the service of the company. C. Q. Parker, investment manager, started in 1896 as a junior clerk. C. P. Muckle, secretary-treasurer, has been in the company's service 30 years. T. O. Cox, manager of agencies, had been associated with David and Alex. Fasken since 1912, and joined the Excelsior Life in 1925.

The Excelsior Life now has an active agency organization from Sydney, N. S., to Victoria, B. C., including the Yukon.

Topnotcher



W. A. KANTLEHNER

W. A. Kantlehner, an agent in the R. F. Clendenin agency of the Northwestern Mutual Life at Louisville, ranked fourth among all agents of the company in paid business for the first quarter and June, July and August. In August he led in volume of paid for business. He entered the business when he was 22 years of age. He always makes a complete audit and analysis of the estate of every client. He carries in his files a copy of the person's will, trust agreement, life insurance schedule and tax analysis. Therefore, when Mr. Kantlehner advises his clients he has a complete analysis of the estate close at hand. He has the utmost confidence of the people with whom he deals.

Changes in N. Y. Creditor Exemption Statutes Rumored

NEW YORK—Rumors are floating around in Albany that powerful political figures intend to introduce important changes in the creditor exemption statutes applying to life insurance. Albert Hirst, counsel New York State Life Underwriters Association, told the Midtown Life Managers Association. Mr. Hirst recalled that Governor Lehman last session vetoed a bill passed by both houses aimed at giving back to donee annuitants their former exemption status, despite assurances given Mr. Hirst by the governor's secretary that the governor would honor any agreement made by Assemblyman R. Foster Piper, chairman of the joint legislative committee on insurance law revision.

While the measure affected relatively few individuals, yet the veto is a disquieting symptom, Mr. Hirst warned. Greater activity on the state association's part and greater appreciation on the public's part of what life insurance means to them are necessary, he declared.

Guaranty Union Fights Back

LOS ANGELES—The bitterest fight yet put up by any of the Chapter 9 companies seeking to oust Commissioner Caminetti as conservator has been waged for the past week before Judge Schmidt in superior court here, by the Guaranty Union Life, with the case likely to last through the present week.

Important factors brought out in the hearing were the "family" agreement among the members of the Rose family, who controlled the company as to caring for the dependent of any of the members who might die or be disabled, and the fact that Otto Christensen, chief counsel for the company, received approximately \$80,000 for legal services between June, 1934, and August, 1940.

“ . . . take prompt action to remedy an increasingly acute situation.”

Resolution

Excerpts from resolution adopted by the National Association of Life Underwriters at its annual meeting in Philadelphia, September 27, 1940:

Whereas, on September 24, 1940, the Board of Trustees of the National Association of Life Underwriters took certain action on the problem of Agents' Compensation, and

Whereas, we believe the purposes and objectives expressed therein to the companies are sound and timely,

Now, Therefore, Be It Resolved, by the National Association of Life Underwriters, in its fifty-first Annual Convention assembled, in Philadelphia, in September, 1940, that we heartily endorse the action of the Board of Trustees as set forth as follows:

“In order to make the business of selling life insurance attractive to men of intelligence and ability and in order to hold such men in the business, the National Association of Life Underwriters believes it to be necessary that the companies **take prompt action to remedy an increasingly acute situation.**”

- ★ 1. That compensation be redistributed in such a way as to give greater reward to the permanent agent who writes business of good quality.
- ★ 2. That a service fee be provided during the life of each policy and during the continuance of the service of the producing agent.
- ★ 3. That there be provided a standardized and contributory retirement life income plan for agents reaching a specified age and a specified length of service.”

Answer

17 years' experience with Acacia's agent's contract has proved that these principles are profitable to both the agent and the company. Its contract provides:

- ★ 1. A plan of compensation especially designed for the agent who writes “quality business.” Liberal bonuses are paid twice a year based on production of “quality business”; extra commissions are paid on policies for \$5,000 or more; service fees (renewal commissions) are paid during the first year in addition to first year commissions.
- ★ 2. A continuous renewal or service fee to the agent so long as the premiums are paid on the policy (not limited to the usual nine years), thus assuring the agent a constantly increasing income in proportion to the business he services and keeps in force. This continuous renewal also means added compensation to the agent who writes “quality business.”
- ★ 3. A contributory retirement income plan under which the company matches dollar for dollar the contributions of the agent. In addition, ample provision is made for disability, and at death the income from the renewal or service fee built up by the agent is paid to his family for a term of years.

Through the continuous service fee, our men have built up permanent incomes that have continued to increase even during the depression period, and the passing years have made them more and more enthusiastic about their contract, and the opportunity it gives to them.

Because we believe in it so sincerely, we repeat a statement we have made many times—“Acacia is not interested in hiring another company's agents. Our desire is to assist in a satisfactory solution, as we see it, of one of the vital problems in the life insurance business today.”

Acacia Mutual Life Insurance Company

William Montgomery, President

Washington, D. C.

Six Take Colorado Commissioner Tests

DENVER.—Six men, one of whom will shortly be certified, took the examination for Colorado insurance commissioner. Those who appeared before the civil service commission are: L. J. Kavanaugh, who has held the post for the last year and a half; C. L. Lough, deputy attorney-general specializing on insurance matters; J. G. Donaldson, former inheritance tax commissioner and author of the state's present mutual benefit law; R. M. Rifkin, Denver attorney; R. C. Bigelow, staff member of state unemployment division, and Vern L. Tickner, formerly with the defunct American Life of Denver and now head of two mutual benefit companies.

Ray H. Brannaman, chairman state industrial commission, sought to take the examination but was rejected. Mr. Rifkin represented a last-minute addition to the list.

Expect Results Soon

Commission members announced that results would probably be announced in about 30 days. However, it is predicted in usually reliable sources that the decision will be made in not more than two weeks—possibly sooner.

Whoever is certified for the position will probably hold the office for some years. Under Colorado's civil service law affecting the insurance commissioner, a man cannot be removed unless formal charges against him are brought before the civil service commission and, in an impartial hearing, he is proved incompetent. Former Commissioner Jackson Cochrane held the post for some 17 years, successfully opposing efforts to force his retirement.

Two Examinations Given

The six applicants were given a written examination followed by an oral examination several days later, for "determining mental reactions of the applicants." In the written examination, applicants were required to answer a list of 100 true and false questions prepared by the University of Colorado and to write an essay of not more than 750 words on "The value of the insurance department to the people of the state and what I would do to improve its service."

Various "catchy" questions were included in the true and false list. One which aroused a particular amount of consternation among the applicants stated: "An insurance policy is an aleatory contract." Since the dictionary defines this word as related to a fortuitous event, in fire contracts at least, the term would apply and the question would be correctly answered as "true." Another surprise came in the form of a list of questions on marine insurance, five of them relating to the jettisoning of cargoes.

The applicants are to be graded on the following basis: 30 percent for the written examination, 30 percent for the oral examination and 40 percent for education and experience. While the commission did not state definitely whether special credit would be given for experience in office, its policy in previous examinations has provided for a certain amount of such credit and there's no reason to believe that there will be any change in policy at present. On this basis, Mr. Kavanaugh will have a definite edge. All applicants were required to have a college education, with preference stated for a legal education.

Sam Erickson Agency Roundup

The fall meeting of the Sam A. Erickson agency of Northwestern Mutual Life of Mankato, Minn., was held last Saturday. Mr. Erickson entertained the entire group for dinner. Speakers included Thomas C. Edwards, O. W. Petersen, E. Ray Cory and Elmer A. Lipert.

New Secretary of A. L. C. Financial Section



EHNEY A. CAMP, JR.

Ehney A. Camp, Jr., of Birmingham, treasurer of the Liberty National Life, who becomes secretary of the Financial Section of the American Life Convention, graduated from the University of Alabama in 1928, receiving the Phi Beta Kappa key. After graduating he worked for the investment banking house of Ward, Sterne & Co. in Birmingham and later went with the Bankers Mortgage Bond Company in that city. He became associated with the Liberty National Life in March, 1932, starting in the mortgage department. He was elected assistant treasurer in 1934, treasurer in 1935, and this year was chosen a director.

Cleveland Sales Congress Program Is Announced

CLEVELAND—The program for the northeastern Ohio sales congress, Nov. 9, sponsored by the Cleveland Life Underwriters Association, is now complete. There will be morning and afternoon sessions with two outstanding speakers for each. There will be no general luncheon because individual agencies prefer to have their own gatherings at that time.

Speakers are: Grant L. Hill, director of agencies Northwestern Mutual Life, "The Problem Agent's Problem"; Louis Behr, Equitable Society, Chicago, "My Prospecting and Programming System"; Ralph Engelsman, general agent Penn Mutual Life, New York, "Selling 1940," and E. H. Wilkes, vice-president Metropolitan Life, "Americanism." Mr. Hill will also talk the preceding night before the Cleveland Life Insurance Executives Association on "This Job of Ours."

Ross M. Norris, president Cleveland association, will open the congress. C. E. Pejeau, first vice-president, will be chairman of the morning session, and W. J. Schmidt, second vice-president, will preside in the afternoon. Howard Kelly is general chairman. About 800 are expected to attend.

Baum Moves to Arizona

PHOENIX, ARIZ.—The Southwestern Insurance Company has been incorporated in this state, at the request of Willard F. Baum of Los Angeles, under the benefit corporation act. It qualified by depositing \$1,000 with the state treasurer and was issued a certificate of authority.

Willard F. Baum was vice-president of the Southwestern Life of Los Angeles, Chapter 9 company, now in Commissioner Caminetti's hands as conservator.

Fulfilling a Duty

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★
I Rule America
A Citizen's Soliloquy
 ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

I am a citizen of the United States. I have a share in its rule.
 My privilege to cast my vote, uncoerced and as my conscience dictates, is priceless. It represents the difference between freedom of thought, speech, and movement that is the very lifeblood of America, and the serfdom and regimentation which in less favored lands are plowing under every noble quality of the human soul.
 Leaders do not impose their will on me; rather, they obey mine.

IN these swift-moving days, charged with destiny, Americans are fast awakening to a real appreciation of their liberties. They are realizing anew that the men who founded the Republic were great men by every standard of measurement. They are learning all over again that those things which the founding fathers strove to preserve in establishing this democratic form of government are precious things. Above all, they are taking a more sober view of their responsibilities as citizens, knowing the great deeds of the past can and must be matched by great deeds in the future if this nation is to endure.

Because it considers a larger appreciation of America's history—and of the free institutions which are our heritage—essential to the future of the nation at large and of Life Insurance in particular, N^WNL for years has been helping to make Americans history-conscious with the unique items of its Historical Series. Latest of these is the folder, "I Rule America," a simple but powerful exhortation to citizens to exercise their privilege and duty of voting. Like its 32 predecessors, many of which have called attention to little-known but significant facts in the story of the nation's development, this piece is fulfilling a real duty—contributing toward a greater America by reminding Americans of their country's past greatness.

REPRESENTATIVE ITEMS IN N^WNL's HISTORICAL SERIES

Facsimile, Declaration of Independence	Constitution of the U. S.
Independence Hall Etching	Chief Justices of the U. S.
Lincoln Portrait	First Prayer in Congress*
Washington's Farewell Address	Poor Richard Illustrated
14 Presidents Before Washington	America's Bill of Rights
Our Capitol Buildings	Franklin on War and Peace

*Out of print.

NORTHWESTERN *National* LIFE INSURANCE COMPANY

O. J. ARNOLD - PRESIDENT



MINNEAPOLIS - MINNESOTA

Caminetti Calls Legislative Parleys in California

SAN FRANCISCO—A preliminary legislative conference was held in the office of the division of insurance, with E. P. Fay, chief assistant insurance commissioner, presiding.

The meeting was devoted principally to organization of conferences for subsequent meetings. Under Commissioner Caminetti's plan these conferences will furnish a forum in which proposals offered may be brought to the attention of all interested persons.

Dates set for further conferences are: Life and disability, Nov. 6; fire, marine, county mutuals, Nov. 12; casualty, surety, Nov. 13; agents, brokers, solicitors, rebates, discriminations and controlled business, Nov. 14-15; investments, administrative, miscellaneous and technical amendments, Nov. 7-8.

The meeting marked the first time buyer groups have sat in at such conferences, including the Insurance Buyers Association, insurance committee Oakland chamber of commerce, and Better Business Bureau, San Francisco. Twenty-two company group and organization men attended.

Proposals that have been made include provision for licensing and regulation of insurance counsellors, provision for life agents to procure but one license and insurers merely file company appointments for those whom they wish to have represent them, rather than to have a separate license issued for each company; to change life and disability agents' license year to the calendar year and require renewals to be filed before Nov. 15 preceding expiration; permit licensing of disability only agents for life as well as casualty insurers and to permit such companies to appoint agents already licensed for casualty to transact disability insurance; to make group life or disability certificates non-assignable.

Proposed legislation regarding "chap-

ter nine" companies, includes: requirement of notice of lapse as condition precedent to forfeiture of policy; limit length of time for which proxies may be given by policyholders; change code covering conversion of "chapter nine" insurers to mutual legal reserve basis; to eliminate present inconsistent treatment of disability policyholders and life policyholders for purpose of assessment by exempting disability policyholders.

Need Not Employ Outsiders for Getting Equities

E. A. Roberts, vice-president and general counsel of the Minnesota Mutual Life, who has been elected chairman of the Legal Section of the American Life Convention, issued a statement saying it is unnecessary for policyholders to pay fees to people or concerns offering to assist them in obtaining values from policies which may have been thought worthless. Any such equity will be promptly paid by any legal reserve company, he said. The companies daily give out such information and pay out such values to their policyholders, he added. Continuing, he said:

"The policyholder should first make inquiry of the company, then if not satisfied get in touch with the office of his state insurance commissioner who will promptly obtain the desired information. The state insurance commissioners are admirably and efficiently representing the public in such matters."

Western & Southern Legion

CINCINNATI—The annual convention of the home office chapter of the Western & Southern Legion, service organization of the Western & Southern Life, will be held Friday and Saturday at the home office. About 600 members with from five to 50 years' service will attend, the convention closing with a dinner at which President C. F. Williams will preside.

New Secretary



JOSEPH O'MEARA, JR.

Joseph O'Meara, Jr., associate counsel of the Western & Southern Life, who becomes secretary of the Legal Section of the American Life Convention, received his legal education at the College of Law, University of Cincinnati, taking summer courses at Columbia and Cornell law schools and graduate work at Yale Law School. He entered private practice in 1921 in the office of H. L. Nichols of Cincinnati, former chief justice of the Ohio supreme court. Four years later he became a member of the firm of Merland, O'Meara, Santen & Willing, with which he is still identified. He served as secretary of the Cincinnati Lawyers Club for six years and for four years was instructor in corporation law at Xavier University.

Suits Seeking to Capture Surplus Are Thrown Out

Federal Judge Igoe in Chicago the other day threw out for want of legitimate interest on the part of the plaintiffs the cases against 15 mutual life companies that were brought in behalf of various policyholders, whose contracts had expired or lapsed, seeking to capture a large part of the surplus of the companies. The plaintiffs who were apparently rounded up through a systematic effort by some sort of an organization, set up the theory that policyholders in a mutual company have a vested interest in the surplus of the company and when their contracts expire or lapse, they are entitled to an accounting and to a pro-rata share in the surplus, despite the fact that they had got all of the non-forfeiture values to which they were entitled by the policy and by statute. There is one case pending in the state court.

The lawyers for the plaintiffs have announced that they will appeal the decision.

Benson "On to Cincinnati" Head

CINCINNATI—Judd C. Benson, manager home office agency of Union Central, has been appointed national chairman of the "On to Cincinnati" committee for the 1941 meeting of the National Association of Life Underwriters. Mr. Benson's presentation of the Cincinnati bid was considered a masterpiece at Philadelphia. He is vice-president of the Ohio Association of Life Underwriters.

Stout to D. of C. Department

Miller O. Stout has resigned as assistant secretary of the Virginia Auto Mutual of Richmond to go with the District of Columbia department in an administrative capacity. He was fire rate clerk of the Virginia department before going with the Virginia Auto Mutual three years ago. Previously he was with the Virginia rating bureau.

HOW NATIONAL ADVERTISING WORKS FOR JOHN LINCOLN!

SO THE COMPANY HAS TWO NEW NATIONAL ADS THIS MONTH... I'LL USE THEM!!!



WITH PERSONAL PLANS



WITH PROSPECTS



WITH THE GENERAL PUBLIC

THIS NATIONAL ADVERTISING PROVIDES A FINE DIRECT MAIL THEME - I'M USING THE COMPANY PLAN!!!



IN DIRECT MAIL

SAY - HERE'S A REAL DIVIDEND - LEADS FROM NATIONAL ADVERTISING!



WITH DIRECT LEADS

NATIONAL ADVERTISING IS ONE OF MY VALUABLE SALES TOOLS!



THE LINCOLN NATIONAL LIFE INSURANCE COMPANY
FORT WAYNE INDIANA

Cecil Woods Gives Inspiring Message

BIRMINGHAM — President Cecil Woods of Volunteer State Life, in addressing the meeting of the Birmingham Life Underwriters Association, predicted that no matter what changes may come, people will always turn to life insurance, "the greatest of all human agencies." The business, he said, is essential, fundamental and everlasting.

Insurance, according to Mr. Woods, asks nothing of government except to be allowed to carry on and improve its service. It is ready for fair and impartial investigation, asking only to be allowed to invest its funds in free and unhampered channels, to sell policies in the old fashioned way of fair and clean competition and answerable to the supervision of state departments.

Insurance is sound and has been for a century, he asserted; it is vital in the economics of the American way of life; it has been the most human agency to provide security and stability; it has admitted and corrected its mistakes; it represents the essence of a true democracy; it is the voice of a thrifty and confident nation; it represents the spirit of America.

Alliance Life Loses on Reinsurance Issue

Overruling the decision of the Illinois appellate court the supreme court of that state has given a decision in favor of Pioneer Life and against Alliance Life for \$24,000 involving a reinsurance situation.

Pioneer Life reinsured \$24,000 with the old Peoria Life on the life of Dr. Joseph Marzano on July 12, 1932, under an automatic reinsurance treaty. When Peoria Life became insolvent, Pioneer Life applied to the American Central Life for reinsurance. About a month after the reinsurance of Peoria Life, which failed, in Alliance Life, Dr. Marzano died. Pioneer Life paid the face of the policy and then sought to recover from Alliance Life under its reinsurance with Peoria Life. The Illinois appellate court found that by obtaining reinsurance with American Central, Pioneer Life terminated all reinsurance relationship with Peoria Life, so that when Alliance Life agreed to reinsure Peoria Life, Pioneer Life was no longer a policyholder in Alliance Life, but was simply a creditor as to claims previously accrued.

Treaty Was Not Reviewed

Alliance Life entered into an agreement with the receiver of Peoria Life to reinsure risks previously carried by Peoria Life. This contract provided that Alliance Life would assume all reinsurance contracts which had been made by Peoria Life but left it to the discretion of Alliance Life as to whether reinsurance treaties which had existed between Peoria Life and other companies should be continued. Alliance Life elected not to revive the Pioneer Life treaty.

The supreme court found that a specific reinsurance policy was issued by Peoria Life to cover the Marzano policy and that under the first cited provision of the Alliance Life reinsurance agreement, all such policies were assumed. The continuance or the resumption of the treaty arrangement between Alliance Life and Pioneer Life was not a condition precedent to the assumption of this policy and Alliance Life was not entitled to decline liability.

Twin City Club Elects

The Twin City Home Office Life Club has elected the following officers: Chairman for St. Paul, Herbert Bartholdi, Minnesota Mutual Life; chairman for Minneapolis, Walter Wheeler, Northwestern National; recording secretary, Wendell Burton, Northwestern National Life, reelected. The next meeting will be held in St. Paul Nov. 12.

Metropolitan Life Rally Held in Philadelphia

PHILADELPHIA — Eight hundred Metropolitan Life agents, assistant managers and managers of the Great Eastern territory, attended educational sessions here. An unusual feature was the showing of a motion picture entitled "250 Years of Metropolitan Service," which had as its cast five veterans whose combined service totaled 250 years—William Morgan, 88; Thomas Morgan, his son, 66; Charles Wade, 88; William Washburn, 71, and Charles Stansfield, 82. Mr. Stansfield has since died.

The Morgan family is probably the only instance in any life company of a father and son serving to retirement age and still living and receiving retirement pensions. Joseph D'Andrade, manager of Germantown, Pa., wrote the scenario and Mortimer Cohen, manager at Philadelphia, supplied the running comment.

A skit on insurance needs contrasted old and modern selling methods, on the one hand an agent trying to sell just another policy; on the other the experienced agent's method of selling on needs and tying in social security with the prospect's insurance picture. J. M. Young, divisional supervisor of field training, wrote and directed the skit.

A true-false quiz program tested the agents' knowledge of policyholders' benefits in ordinary, industrial and accident and health contracts. C. J. North, third vice-president, spoke on the company's responsibility for educating its representatives and on plans for future education. L. J. Zettler and C. W. Bethel, superintendent and assistant superintendent respectively of the Great Eastern territory, had charge of the conference.

Bankers Life Men on Coast

SEATTLE—G. S. Nollen, president, and W. F. Winterble, director of agencies of the Bankers Life of Iowa, are in the Pacific Northwest after a business meeting and banquet with northern California agencies in San Francisco. Mr. Nollen addressed the Seattle Life Underwriters Association.

Twenty-seven attended the San Francisco conference which was the concluding feature of a special business campaign conducted by the J. H. Rowe agency between Aug. 17 and Oct. 17. The agency paid for \$276,000 in 60 days.

Assessed Valuation Upheld

DES MOINES—The Iowa supreme court affirmed the 1933 valuation for tax assessment of the Liberty building owned by the American Mutual Life of Des Moines and being used now as its home office. The Polk county district

court had set the valuation at \$540,630 and this figure was approved by the higher court.

The company had asked for a reduction of \$131,906 of the original assessor's figures of \$631,906 which included \$447,344 for the building and \$184,562 for the land. The district court reduced the total figure to \$540,630.

Volunteer State Men in Service

Four representatives of the Volunteer State Life have been called for a year of training with the national guard.

General Agent Paul Brooks of Knoxville, Tenn., captain of headquarters

company, 117th infantry, 30th division, is at Camp Jackson, S. C. Reid N. Thomas, Jr., of the Chattanooga branch office is also in training at Camp Jackson.

W. E. Hoffman of the Nashville agency of the Volunteer also is in training.

Capt. W. C. Scoggin, San Antonio, Tex., will answer the call Nov. 25, when his company of the national guard will report for training.

President Cecil Woods has announced that all employees of the Volunteer called to active duty will be granted a year's leave of absence or whatever period may be required.

Sound Defense Begins With Good Government

And good government depends upon the willingness of influential citizens to forego opportunities for selfish, temporary advantages through tit-for-tat deals with demagogues and sinister political machines.

Most American citizens want to do what is fair and right, but until knowledge replaces ignorance they will continue to make mistakes. Knowledge will be acquired when American leaders militantly advocate sound principles and forthright men to carry them out.

When people lose confidence in government, nations fall. Selfishness of capital, labor and politicians toppled France. Selfishness in times like these is the way to ruin.

WESTERN LIFE INSURANCE COMPANY HELENA, MONTANA

R. B. Richardson, President

LIFE REINSURANCE—

STANDARD AND SUBSTANDARD

North American Reassurance Company

Lawrence M. Cathles, Pres.

99 John Street, New York

NEW YORK

KING ADDRESSES CASHIERS

Edward King, secretary-treasurer Hooper-Holmes Bureau, spoke on the history of the reporting business at the October dinner meeting of the New York City Life Agency Cashiers Association. A question and answer period followed Mr. King's address.

YOUNGMAN LEADS AGAIN

The A. V. Youngman agency, New York City, led all the offices of the Mutual Benefit Life in September with a paid business of \$662,500. This brings the agency from fourth position among all agencies to second position for the year to date, production being \$5,271,669 on 772 lives for that period. The agency led the company also in August.

R. F. Mellor was volume leader for September with \$165,000. H. B. Shontz led in lives with six. Mr. Mellor is also leader in volume for paid business for the year to date with \$424,500. Dr. C. W. Wunder leads in lives for the year to date with 47.

Full time agents' production for the first nine months is more than 100 percent ahead of what the same group produced during the first nine months of 1939, during which time they were part of the single large New York agency which preceded the present multiple agency setup.

CHARLES WASSER INSTALLED

Charles Wasser has been installed as manager of the Equitable Society agency in New York, succeeding the late W. G. Fitting. He has been with the company for 19 years. He is in the million dollar class and has served as assistant agency manager in the office for the last 18 years. At the luncheon installing him in office, Second Vice-president A. B. Dalager acted as chairman and introduced Vice-president W. J. Graham. A. M. Spalding, who has been acting as manager, spoke, as did Assistant Managers Dumont Peck and Morton Mainzer and Office Manager Howard Kirkland. Vice-president Mervyn Davis extended greetings and Second Vice-president V. S. Welch made an inspirational address.

PARSONS WITH JOSEPH P. DAY

Joseph P. Day has appointed G. C. Parsons as manager of the life insurance division of the Joseph P. Day Management Corporation, New York City.

This department has enlarged its original function of managing office buildings, apartment houses and hotels to include the handling of all forms of insurance, life, fire, casualty and marine.

Mr. Parsons is a specialist in life insurance and group life, group accident and health, group hospitalization and group pension plans.

MANAGERS

Taylor Head of Denver Managers; Hold Sales Clinic

Ralph Taylor, Mutual Life of New York, was elected president of the Life Agency Managers Association of Denver at its annual meeting. E. L. Metcalfe, National of Vermont, is vice-president, and A. K. Underwood, Lincoln National, secretary-treasurer. Directors are: E. H. Dieckhoff, Connecticut Mutual; C. A. Lee, Occidental of North Carolina; J. F. La Plante, Metropolitan, and Emerson Carey, Jr., of John Hancock.

The afternoon session was devoted to a sales clinic by four graduates of the Sales Research Bureau school: Frank Devitt, Capitol Life, Denver; Mr. Carey, Glenn McTaggart, Prudential, and Olaf Jacobson, Home Life. They listed 10 reasons why most agents fail and suggested causes of correction. Various parts of the sales process such as the

approach and the presentation also were analyzed.

Johnston to Speak in San Antonio

SAN ANTONIO, TEX.—Gale F. Johnston, St. Louis, regional group manager Metropolitan Life, will speak on "The Miracle of Life Insurance" on Dec. 20 at closing exercises of the training school sponsored by the San Antonio Life Managers Club. President Jul B. Baumann of the Texas Association of Life Underwriters will also speak.

O. D. Douglas, Lincoln National, national trustee, spoke of the constructive work which has been promoted by John Witherspoon in the managers and general agents section of the National association. Objectives include adequate pensions for the agents on retirement, recognition of the ownership of the renewals as long as a policy is in force, and the better education of home office officials on the question of selection with a view to a decrease in agency turnover.

Phelps Discusses Financing

Ward Phelps, Sales Research Bureau, addressed the General Agents & Managers Round Table of Baltimore on

"Financing." He analyzed the financial problems which face most general agents and managers in the induction of new men into the business as well as meeting the needs of the older men. He divided the problem into three parts: (1) Emergency financing; (2) financing the new man, and (3) financing older men.

Mix Speaks in Pittsburgh

PITTSBURGH—D. G. Mix, manager conservation department State Mutual Life, spoke to the Pittsburgh Supervisors Club.

Oklahoma City Cashiers

OKLAHOMA CITY—Officers of the newly organized Life Insurance Cashiers Association of Oklahoma City, are J. J. Linahan, Union Central president; L. W. Brock, Massachusetts, Mutual, vice-president; Clark Horton, Great Southern Life, treasurer, and C. F. Crim, Phoenix Mutual, secretary.

Scott Elected in Kansas City

KANSAS CITY—C. D. Scott, Business Men's Assurance, was elected president of the Home Office Life Un-

derwriters Association here. Pat Humphries, Kansas City Life, was named first vice-president; Miss Katie Park, Kansas City Life, second vice-president; Mildred Bockmohle, Business Men's Assurance, secretary, and Homer Pratt, Kansas City Life, treasurer.

L. W. Byars Is Named Mo. Deputy Superintendent

JEFFERSON CITY, MO.—L. W. Byars, an attorney of Columbia, Mo., was named by Governor Stark as deputy insurance superintendent of Missouri, at a yearly salary of \$4,500. He succeeds F. P. Sizer, Jr., who resigned last month to become president of American Savings Life.

Mr. Byars has been a field agent for the Missouri state tax commission for the past two years, and is a former state commander of the Veterans of Foreign Wars.

T. C. Glynn, district manager John Hancock Mutual Life, Rock Island, Ill., spoke at a luncheon given by R. W. Weber, St. Paul manager, in appreciation of the production effort of 20 of his agents the past month.

FORCED TO LEAVE

● Without the help of a mortgage, it would be impossible for the average man today to own his own home. But . . . should he be removed from the picture, without having provided for the mortgage, his family would be left with what is frequently an impossible situation.

That, of course, is the need served by Mortgage Insurance . . . and it is a matter of great satisfaction to this Company that through it, in the event of emergency, so many families will inherit homes and not mortgages.

THE GREAT-WEST LIFE ASSURANCE COMPANY
 HEAD OFFICE - WINNIPEG, CANADA
 Business in force \$625,556,093

Proposed Substitute for War Risk Insurance

(CONTINUED FROM PAGE 3)

adopted in the excess profits act for providing war risk insurance for conscripted men through governmental channels," Mr. Zimmerman wrote. "If we conscript at the rate of 1,000,000 men a year and force upon these men \$10,000 of life insurance at a low subsidized cost, you can readily see: (1) that the cost eventually to the government would be tremendous and, (2) that it would remove from the life insurance market for many years in the future, and in some instances, throughout their lifetime, a large percentage of our most eligible life insurance prospects. The average amount of life insurance owned by the 64,000,000 policyholders in the United States is under \$2,000. It is not difficult to understand how much of our market would be destroyed if \$10,000 of subsidized low cost government life insurance were placed upon 1,000,000 young men each year. Furthermore, it is not difficult to imagine the tremendous cost of such a system to the government, a cost which naturally will fall upon all of our citizens in the form of taxation.

Seeks American Legion's Support

"I believe that the American Legion, working in cooperation with the National Association of Life Underwriters, can perform a tremendous service to (1) those people who served in the world war; (2) those men who are being conscripted into service today and, (3) to the government itself; (4) to the American citizens; (5) to the private life insurance companies; (6) to the entire system of free private enterprise, by vigorously urging the adoption of an automatic, low cost service compensation benefits plan to replace the present system of war risk insurance."

Mr. Zimmerman predicated his proposal on the government's loss of about \$2,000,000,000 in addition to administrative costs under the old war risk plan. He said if the war indemnity were given without charge to service men, the cost probably would be less than under the present method.

His proposal is that the government eliminate war risk insurance, and in its place give to each man conscripted into the service a certificate of indemnification, which he said might be known as a "service compensation certificate" that would provide a disability pension for the individual who suffers disability while in the service and a pension for the dependents of the individual who dies during his period of service.

How Proposal Would Function

"There would be no cost to the man in the service for these service compensation benefits," Mr. Zimmerman stated in his letter. "This is a legitimate cost which should be borne by the government and to which the man who is conscripted into the service is entitled. Upon discharge at the end of his year of service, the individual would receive a thorough health examination. If his health were found adversely affected, it would be fair to assume that this condition was due to his year of service and the government would continue, at no cost, the disability and death benefits as long as his health were adversely affected. If, at a later date, the man should be called back into service as the result of our going to war, automatically, the service compensation benefits would be reestablished for him during his period of service, with the same provisions upon his discharge as outlined above.

"This plan has many obvious advantages and eliminates all of the objections of war risk insurance. First of all, the administration expense would be negligible since no complicated records would have to be kept over a long period of time. Second, if we did not get into war, there would be no hazard or large cost to the government. If we did get into war, then this cost

would be borne by the government just as it will be primarily borne by the government even under a system of war risk insurance where the premium is utterly inadequate to provide for the war mortality hazard.

Eliminates Great Liability

"There would be no cost to the government after a man was discharged from the service in good health. There is a tremendous cost to the government under war risk insurance for those individuals who are discharged in good health, but later become poor insurance risks from causes in no way remotely connected with their service in the armed forces. Fourth, because of this saving to the government, more adequate provision can be made not only for disability and death benefits during the period of service, but later on, for pension benefits for war veterans.

"No discrimination would be made against the enlisted man on low pay and the commissioned officer on high pay. The morale of the men in the service would not be adversely affected through deductions from their monthly pay. The government could, upon proper investigation, name the dependents to whom these death benefits would be payable rather than leaving the choice to the man who may name someone who is not dependent upon him."

Confers with General Hines

Mr. Zimmerman met recently in Washington with General Frank T. Hines, administrator of the veterans bureau which handles the war risk insurance, and with other officials connected with the plan. The mortality experience on the old war risk insurance has been very high, Mr. Zimmerman said he was told by General Hines. In addition to administration cost, which is borne by the general taxpayers, there has been a strong selection against the government by the fact that many veterans who could get private insurance did so, and were not attracted by the somewhat lower cost of the government policy, but those who were uninsurable after the war held their policies and there has been a high mortality. Mr. Zimmerman said there have been a great many claims for disabilities that were not service contracted. The disability experience has been very bad.

There is some sentiment in certain

quarters in Washington for getting the government out of the war risk insurance business. It is estimated if the United States should get into war now, the war risk insurance issue might total 50 to 60 billion dollars, and the mortality would be so heavy if we took part in the European war that the real figures probably would not be published for a number of years. The loss to the government on the war risk might be \$10,000,000,000 or more, rather than \$2,000,000,000 as before. Obviously, Mr. Zimmerman said, the private companies could not assume the gamble of such a loss. Life company officials feared this issue might be made a political football and government officials might demand the companies take this risk at standard rates or be charged with being unpatriotic.

Nine Objections to Old Plan

Mr. Zimmerman related nine objections to the old war risk plan which were discussed at the meeting in Washington with General Hines. These were that war risk insurance did not forestall later demands for pension benefits as originally had been hoped would result. The administrative expense was heavy and had to be borne by the public generally. Most of the \$2,000,000,000 unexpected extra cost was due to excess mortality that was not even vaguely connected with service in the armed forces during the world war. If a war should occur, there would be no way for adequately charging an insurance rate because there is no known method of estimating mortality; there would not be a scientific insurance risk, consequently, such a risk would have to be assumed by the government.

A man at time of discharge owning \$10,000 government life insurance on a term basis might be in perfect health and a good insurable risk in a private company. However, after a few years he might contract tuberculosis or be badly crippled in an accident which would greatly shorten his span of life, or dissipation might undermine his health. Naturally he would continue his government insurance in force and the government would suffer the extra mortality hazard. This is happening in a great many cases.

The greater the cost of such non-service claims, the less would be the funds available for pensions and other benefits to veterans who are suffering from service contracted disability. Therefore, government insurance is subsidizing many men for reasons not remotely connected with their service

in the armed forces, Mr. Zimmerman commented.

Another factor was that war risk insurance is discriminatory. One man may be conscripted as a private at \$30 monthly pay who had been earning several hundred dollars monthly and was married and had children. The amount of government insurance he could afford to buy on \$30 a month would be limited. However, another man might be conscripted who because of special training would become a commissioned officer with much higher pay. Even though he might be single and with no dependents, he could afford to buy more government insurance. Yet the private needs the insurance protection much more and undoubtedly in private life purchased larger amounts.

Other Objections Are Cited

Then it was found the war risk plan had a bad effect on the men's morale because of pay deduction and pressure brought on them to purchase the maximum amount, which many did not wish to own. Many men named as beneficiaries persons who were not dependent on them and had no real insurable interest; also, often a fiancée or girl friend to the exclusion of parents, wife and even children. There was found no way of controlling this. Administration of the plan was found cumbersome and inefficient. This was not a reflection on the veteran's bureau but was due entirely to red tape and the mushroom growth of government insurance.

It was found government insurance was actuarially unsound because based on 3½ percent interest reserve with administration costs charged against general operating expenses of government. The 3½ percent reserve assumption was too optimistic since the fund had to be invested in government obligations that brought less.

Project Under Consideration

The "service compensation certificate" project is being weighed by the new administration of the National Association of Life Underwriters headed by Harry T. Wright of Chicago. The National association as yet has not given its official approval to the plan. C. V. Anderson of Cincinnati is legislative chairman. Mr. Zimmerman, as retiring president, and because for some months he has been studying the war risk problem, at least temporarily is carrying on this fight to keep the government out of insurance.

Colonel C. B. Robbins, manager and general counsel American Life Conven-

Great-West Life Makes Three Agency Changes

Great-West Life has appointed M. I. Lindsay, formerly manager of the southern Minnesota

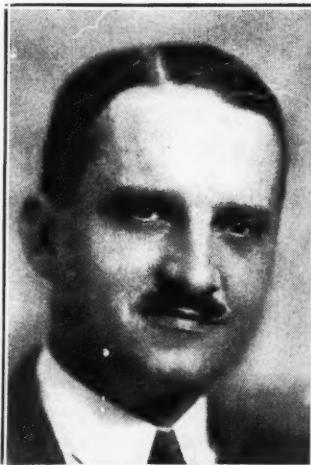
branch, as manager at Minneapolis, succeeding J. D. Graham, resigned. Mr. Lindsay, who entered life business in 1923, joined Great-West as supervisor of Minnesota in 1935 and has had experience in personal production and agency management.

C. G. Liemandt, formerly manager at Grand Rapids, Mich., will succeed Mr. Lindsay as southern Minnesota manager. Mr. Liemandt joined Great-West in 1938 and was appointed manager at Grand Rapids in 1939.

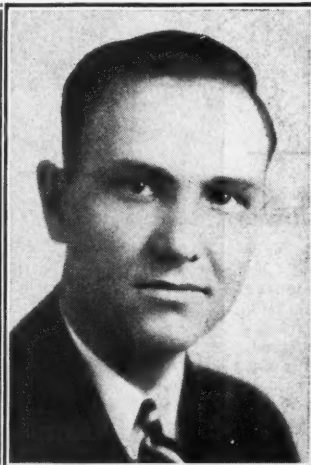
C. B. Devol, Jr., who first joined Great-West in 1937 as supervisor in Chicago, will succeed Mr. Liemandt as manager at Grand Rapids. Mr. Devol attended the University of Illinois. He is

a C. L. U., director of the Chicago Association of Life Underwriters and has

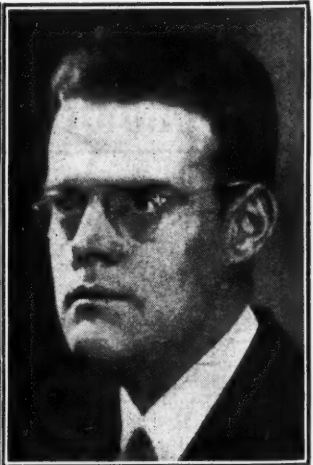
supervisor, besides recruiting and training agents. He qualified for the Presi-



M. I. LINDSAY



C. G. LIEMANDT



CARL B. DEVOL, JR.

made many talks as a member of the speakers bureau. He averaged about \$250,000 annually as an agent, and had paid for about \$200,000 a year as a

dent's club, honor roll and all conventions as an agent. Mr. Devol has been active in Life Agency Supervisors Club of Chicago.

tion, former assistant secretary of war and a prominent legionnaire, purely as an individual is behind the project and acting as adviser.

J. D. Moynahan, Metropolitan, chapter president, presided and awarded diplomas to the new Chicago C.L.U. men. W. M. Houze, president Chicago Association of Life Underwriters, spoke.

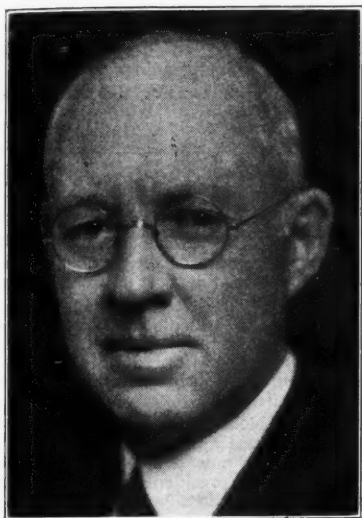
Medical Directors Elect D. B. Cragin

(CONTINUED FROM PAGE 1)

travagant claims as to the curative effect of administration of vitamins have been made. A well-balanced diet affords all the vitamins which any individual needs, he said.

Allergy and Asthma Discussed

Dr. F. M. Rackemann, Harvard Medical School, discussed the problem of allergy with particular reference to asthma. From the point of view of longevity, asthma developing in younger



D. B. CRAGIN

people as a result of allergy is of no particular significance; but after age forty such types of asthma might be a definite factor in reduction of longevity. This paper was discussed by Dr. H. B. Kirkland, Prudential, from the point of view of the cardiovascular effects of asthma.

Dr. Merrill Moore, associate in psychiatry, Harvard Medical School, gave an exhaustive discussion on alcoholism in its relation to public health. He emphasized the advantages of psychotherapy in the treatment of the chronic alcoholic addict whose condition is tantamount to a mental illness.

Dr. W. E. Thornton, second vice-president and medical director Lincoln National Life, discussed Dr. Moore's paper from the life insurance medical angle, from the practical point of view of the life insurance underwriter, describing the system in use in his company for classifying the various degrees of hazard arising from the use of alcohol.

Dr. J. H. Means, Harvard medical school, discussed endocrine disorders as they applied to insurability and longevity. Dr. D. M. Shewbrooks, Penn Mutual Life, discussed Dr. Means' paper from the life insurance medical point of view.

The annual dinner was held on Thursday evening. Golf prizes were distributed. Prizes were also awarded to the champion clam eater, the champion lobster eater and the best all-around sport.

President H. M. Frost, New England Mutual Life, presided.

The Farmers & Bankers Life held a week's training course in Wichita under the direction of H. P. Lindsley, educational director.

Thompson Elected President of Insurance Institute

(CONTINUED FROM PAGE 1)

wives, attended the dinner of the institute. At the head table were J. J. King, president Insurance Society of New York; E. C. Stone, U. S. general manager Employers Liability; Rear Admiral Woodward; W. J. Graham, vice-president Equitable Society; Lieutenant General Drum; J. S. Thompson; Superintendent Pink; Col. E. G. Lindroth; Mr. Hardy, and Secretary of Navy Knox, the speaker of the evening.

In his greetings President L. E. Falls outlined the activities and ambitions of the institute.

Mr. Knox emphasized the danger to the United States that would ensue were the British unable to hold control of the Mediterranean or the Atlantic. He asserted that there will be no attempt at appeasement of Hitler or any of his allies.

Secretary E. R. Hardy in his report warned against certain tendencies in insurance education. He said that education in the field of insurance has been affected by the development of vocational studies placed in colleges and universities, in high schools and even in some grammar schools. Probably, he said, this practice is not for the best interests of insurance or of education. Vocational studies, he declared, should follow the basic education and not be put in as a part of it. Certain interests, insurance as well as others, are seeking to have introduced into various educational institutions instruction in their own special lines. Occasionally this is carried to absurd lengths as for instance, when a group sought to have courses in ventriloquism introduced in the Brooklyn division of C. C. N. Y.

In the United States, Mr. Hardy said, insurance in one form or another is taught in more than 100 higher institutions of learning. The whole subject should be studied and some agreement arrived at as to what is desirable to put in the schools and then stop there.

Actual practice in the field must be the final and the best teacher. General principles may be taught, but beyond that it is useless to go. One organization, he said, has been asked to set up a course to train persons to sell life insurance. The course would consist of about four weeks and would be intended to furnish only information enough to help them pass the state examination. The idea has been rejected, but, he said, it is an illustration of a bad practice that is creeping into education on the subject of insurance. The growing practice of states to require producers to pass an examination will be beneficial

only if a high standard in the preparatory courses is insisted upon.

The membership of the institute consists of 900 associates, a gain of 155; 103 corporates, loss of 5; 1 corresponding, 179 fellows, a loss of six; 17 honorary, a gain of one and 20 organizations, no change.

The number of students registered for the examinations this year was 4,068 as compared with 4,169 last year. About 40 percent of the students are registered for examination in the fire branch and 25 percent for casualty.

The number of graduates increased

from 380 to 406. Of that number 126 are casualty, 185 fire, 57 life, 5 marine and 33 surety.

The number of students taking the institute courses by correspondence remains comparatively small.

All of the societies have adopted the practice of returning the full registration fee to any student who enlists or is drafted into the military service. He pointed out that students who may be drafted may yet continue their courses by correspondence.

Mary Lannigan, Guardian Life, New York, won the life prize.

JEFFERSON STANDARD
The Quality-Minded Company

- Quality Selection
- Quality Training
- Quality Merchandising
- Quality Business
- AGGRESSIVE and PROGRESSIVE

JEFFERSON STANDARD LIFE INSURANCE CO.
JULIAN PRICE, President GREENSBORO, N. C.

THE MANUFACTURERS LIFE

The life insurance representative has an important responsibility to the community which he serves because his work concerns the financial welfare of widows, children and aged people in that community.

The Manufacturers Life therefore places great emphasis on the character and ability of the men it chooses for its Field Organization. They are trained to discharge their trust with credit to the institution of life insurance.

INSURANCE IN FORCE, 590 MILLION DOLLARS
(Including Deferred Annuities)
ASSETS, 177½ MILLION DOLLARS

INSURANCE COMPANY
HEAD OFFICE
TORONTO, CANADA
Established 1887

EDITORIAL COMMENT

You Can't Tilt Against Gossip Columnists

THE SENSATIONALIZED slurs on the life insurance business wrongly attributed to President Lewis W. Douglas of the Mutual Life in a recent Pearson-Allen "Merry-Go-Round" column illustrate the difficult position of anyone put on the spot by unsupported gossip served up in a spicy manner. Mr. Douglas has not issued a denial. A number of eminent life insurance men feel he should do so and there is authoritative evidence that there was no basis whatever for the remarks attributed to him by the columnists.

However, there are life insurance men of comparable eminence who feel it would be a tactical mistake to issue a denial. They feel that it would only serve to bring the column's statements to a lot of policyholders who hadn't heard about them, that it would make many jittery persons wonder if there mightn't be something the matter with a business where the head of one of its

largest companies feels it necessary to deny publicly the writings of a pair of gossip columnists; that the columnists would gleefully welcome such a denial and proceed to capitalize on it with more material in the original cockeyed vein.

Much as one might like to see Mr. Douglas come out with a denial that would blast Messrs. Pearson and Allen out of the water, it must be agreed that he is taking the wiser course in refusing to take any official notice.

One of the implications in the Pearson and Allen column that the interview in Washington was at the instance of the life insurance officials can be authoritatively denied. The discussions were initiated by the government people. It is also understood on the highest authority that Mr. Douglas has never made the statements nor held the sentiments that were imputed to him by Pearson and Allen.

Encouragement and a Warning

SENATOR O'MAHONEY'S renewed assurances of the TNEC's friendly intentions toward the insurance business are welcome, as always. In addressing the American Life Convention he said that he wanted to set at rest "the completely false picture that is being spread throughout the country about the TNEC study." He added that "there appears to be a deliberate intent to mislead people about their life insurance," and declared "that there has never been the slightest suggestion by any member of the TNEC nor by any member of its staff to weaken the present system of state supervision, to in any way interfere with the assets of life companies or that funds of life companies were invested in any but the soundest securities."

Perhaps the misunderstanding between Senator O'Mahoney and an important section of the life insurance business results from the fact that the senator is talking in terms of intentions while the life insurance business is thinking in terms of results. It does not matter how benign the TNEC's intentions may be if the result of its insurance investigation is to saddle the business with a complicated and expensive system of federal control, whose cost and disadvantages would far outweigh any good that might result, and which might readily lead to companies being subtly forced to invest in "pump-prim-

ing" or other unsound projects.

Unlike the business-baiting element in the new deal, Senator O'Mahoney is all for business expansion but he has a deep and sincere conviction that the way to accomplish this is to have Washington regulate all corporations doing business on more than a local scale so that the small business man's economic freedom will not be impaired. He does not even accuse big business of trying to stifle anybody but is convinced that that is the way things work out in an unregulated economy. That is why he raised the question during the TNEC hearings whether life companies doing a big interstate business should not have to conform to what he called national standards.

Senator O'Mahoney's sole aim is to improve things, not only for the policyholders and the public but for the insurance business itself. But astute as he is, he lacks practical, first-hand knowledge of the life insurance business. Hence it is easier for him to see why his plan should work than to visualize the numerous practical objections to such a proposal.

It would be most unfair to accuse Senator O'Mahoney or any member of the TNEC of wishing to foist on the life insurance business a burdensome federal bureaucracy or to see life insurance investments dictated by spend-lead politicians at Washington or to open the

way for the states to relax their responsibility in the slightest. But neither was it the intention of the advocates of national prohibition that there should arise a vast system of bootlegging, with bribery, murder, and general corruption in its train.

In view of the fact that federal supervision of insurance would result in no

improvement commensurate with the extra expense and the danger of political control of investments the most reassuring angle of Senator O'Mahoney's address to the American Life Convention was less what he said than what he left unsaid, namely, an open declaration in favor of federal supervision of insurance.

The TNEC's "Factual" Report

APPARENTLY the life insurance report to be released by the TNEC after election is going to be put out as purely "factual" and perhaps even an "objective study." Chairman O'Mahoney has characterized the first TNEC monograph as "being submitted for consideration by the committee to the public for its factual value and without in any sense suggesting a legislative program," and says that applies to all the subsequent ones, too.

The TNEC would win more support if it dropped the "factual" pose and frankly admitted that while the committee is trying to get at a true picture of the national economic machine there

are a lot of different camera angles—including Left and Right. The facts that are marshaled may be true enough, but what facts will be brought in which will be played up, what interpretation will be given them—for interpretations can't be avoided—make a vast difference in the impression that will be received by the reader.

As far as "suggesting a legislative program" is concerned there is bound to be plenty of indirect suggesting according to the lights of those making the studies. Those who parade these thinly disguised special pleadings as "factual" material are underrating the public's intelligence—we hope.

PERSONAL SIDE OF THE BUSINESS

Michael J. Cleary, president Northwestern Mutual Life, is one of nine Milwaukeeans named to a state Americanization committee of the Knights of Columbus, to promote Americanism in Wisconsin, cooperating toward that end with other fraternal, patriotic and civic organizations.

Charles A. Taylor, actuary Life of Virginia, was elected a director of the Morris Plan Bank of Virginia. Gaius W. Diggs, general agent Penn Mutual, Richmond, is acting chairman and welcomed Mr. Taylor when he took his place on the board.

Chester O. Fischer, vice-president of Massachusetts Mutual Life, and Mrs. Fischer announce the marriage of their daughter, Katherine, to Dr. George Mason Parker in Peoria, Ill. The Fischer home was formerly in Peoria.

Harold J. Rossman, Houston manager Equitable Society, has been elected president of the Houston Sales Managers Club.

President Burke Baker of the Seaboard Life spoke to the Houston committee to Defend America by Aiding the Allies. He advocated sending of 25 flying fortresses to England.

Mrs. Ward Senn, wife of the president of the American Mutual Life of Des Moines, is reported as improving at a Minneapolis hospital following a major operation. She is expected to return to her home some time this week-end.

Mrs. Hazel Oppenheimer, Equitable Society, secretary-treasurer San Francisco Life Underwriters Association, was honored at the directors' meeting on the occasion of her birthday. At a luncheon Mrs. Oppenheimer was presented an appropriately inscribed cake. She is

advisory chairman of the women's committee and is the first woman to be elected an officer.

The Life Presidents Association has adopted memorials on **E. W. Randall**, late chairman of Minnesota Mutual Life, and **David F. Houston**, late chairman of Mutual Life.

H. W. Noble, former southern Nebraska general agent of the New England Mutual, now a special agent, has been reelected president of the Nebraska Baptist Association.

Harry W. Stanley, founder of the Wichita general agency of the Equitable of Iowa, was honored on his 35th anniversary with the company with a dinner in Wichita, arranged by President F. W. Hubbell.

Fifteen years ago this month **O. J. Arnold** became president of the Northwestern National Life and as customary agents of the company this month are observing "Arnold month," seeking a production record. October also is Mr. Arnold's birthday month.

Arthur Nelson Lowe of the French & Horner agency of Northwestern Mutual Life at Madison, Wis., is Republican candidate for member of the state assembly from the first district of Dane county. He is a past president of the Madison Life Underwriters Association and has served as special agent for Northwestern Mutual Life for 17 years.

Richard J. O'Brien, assistant to the superintendent of agencies Bankers National Life, and Miss Beatrice Frances Torgan, daughter of Mr. and Mrs. Robert Torgan, will be married Nov. 9 at St. Francis Xavier Church, New York City.

The Metropolitan Life gave a dinner in Cleveland in honor of **Everett T.**

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Stump, manager of the Euclid, O., district, who has just completed 30 years of service. Leaders in Cleveland business and professional life attended. W. S. Shepherd, superintendent of agencies, and nine other members of the home office staff were present.

H. B. Seaman, who served 54 years in the mathematical department at the home office of the Mutual Benefit Life, has retired from active service. His associates gave him a farewell party and gifts.

George H. Chace, vice-president in charge of ordinary agencies is the Prudential's No. 1 ranking bridge player in spite of the company's bridge team being mainly composed of actuaries. The Prudential team is looking forward to a good year, having won the Metropolitan Commercial Bridge League tournament last season. Contesting teams in the league are drawn mainly from prominent corporations, such as American Telephone & Telegraph, Bell Laboratories, United States Steel and the like.

DEATHS

George N. Lyman, one-time deputy Iowa commissioner, died from a heart attack in Des Moines. Burial was at Cedar Rapids. He served under J. F. Taake, who was commissioner in 1918-19.

H. O. Hewitt, 51, special agent Stamm general agency of the Northwestern Mutual Life, Milwaukee, was stricken with a heart attack, collapsed and died while playing golf at the Milwaukee Country Club. A brother, W. C. Hewitt, is also associated with the Stamm agency.

Funeral services were held in Madison, Wis., for **Lt. F. C. Davies**, 41, for 18 years a special agent in the French & Horner agency of the Northwestern Mutual Life in Madison. He was a reserve officer in the U. S. army air corps and had been called for a year's duty in California. With a companion, Lt. J. C. Taylor, he was flying from Chanute Field on an observation flight when the airplane crashed near Dewey, Ill., killing both flyers.

J. F. Grant, 59, Penn Mutual Life general agent, Seattle, died at his home there. In 1904 he became a partner of W. G. Farrell in a Penn Mutual general agency in Salt Lake City. He left the firm in 1906 to go into the coal business, but returned in 1915 in partnership with A. Finley as Penn Mutual general agents in Seattle. Since 1918, when Mr. Finley transferred to San Francisco, Mr. Grant has had the agency, which he built up into one of the strongest in the northwest. The Grant family has long been well known in life insurance. His father, Col. F. A. Grant, was a Penn Mutual general agent in Salt Lake City, his son, W. P., is with the Bethea agency in New York, and is a son-in-law of J. Elliott Hall, the general agent there. Another son, Fred, is with the Equitable Society in Seattle.

Thomas F. Dickson, 33, manager of the Southern Life at Shreveport, La., and secretary of the Shreveport Life Underwriters Association, was fatally injured when his automobile skidded and dropped 100 feet down an embankment. Members of the Shreveport Life Underwriters Association and Life Managers Club were honorary pallbearers at the funeral.

William King, 60, for the past five years Grand Rapids, Mich., general agent of the American United Life, died there following a heart attack. In his earlier career he had represented the Aetna Life and the Missouri State Life.

Thomas C. Bell, 82, who retired in 1929 as assistant superintendent of agents of Mutual Life, died at his home in Pleasantville, N. Y. In 1891 he became manager of the Charles H. Raymond Insurance Agency. In 1906 he became supervisor of agencies of Mutual Life. Later for a time he conducted his own agency and in 1925 he

C. L. U.

Present Los Angeles Diplomas

The Los Angeles C. L. U. chapter held its annual dinner dance and presentation of diplomas to newly accredited C. L. U.'s with 90 present. President A. C. Duckett made the presentation speech to the new C. L. U.'s and Kellogg Van Winkle presented management certificates to the members who had passed the examinations.

The Christmas party will be held Dec. 20. Election of officers will be held Nov. 12.

Cox Is K. C. Instructor

The C.L.U. course in Kansas City, scheduled to begin late this month, will be taught this winter by Edward Cox, an attorney with the trust department of the First National Bank. Oliver Neibel of the Penn Mutual has been teaching the course eight years.

Big Portland Enrollment

Fifty-one students have started on Parts 1 and 2 of the C.L.U. course, sponsored jointly by the Life Underwriters Association and Managers Association of Portland, Ore. This is by far the largest enrollment ever recorded there. The course is being handled through the extension department of the University of Oregon. Classes started Sept. 30.

Worked Out Time Budget

A full year of constant study, even while riding on buses and waiting in line at cafeterias, has led to the passing of Part III of the C. L. U. examination by two very busy women—Mrs. Olive A. Boles, cashier, and Miss Ruby Green, assistant cashier in the Fort Worth, Tex., office of the General American Life. "We were both so busy that we knew we could never find time for all the study we needed to do unless we actually set up a time budget," Mrs. Boles declared, as she described the year's schedule in which she and Miss Green spent Saturday afternoons, Sundays and holidays in study.

Now that the time budget has worked so successfully on the third C.L.U. milepost, both women are considering a similar plan of study in preparation for their fourth and fifth examinations.

St. Paul Chapter Elects

The St. Paul C. L. U. chapter has elected Walter F. Stone, Aetna Life, president; Chester R. Jones, Massachusetts Mutual, vice-president, and Alan D. Harmer, Minnesota Mutual Life, secretary-treasurer.

Start Baltimore Classes

The classes of the Baltimore Institute of Life Underwriting for Parts I and II of the C. L. U. work started last week. Classes for Part IV commenced Oct. 22 and for Parts III and V Oct. 24.

E. J. Clark, Jr., supervisor John Hancock, is president of the institute and L. W. Brown, supervisor Mutual Life of New York, is dean of the school.

J. A. Fulton N. Y. Speaker

The monthly meeting of the New York City C. L. U. chapter was marked by conferment of diplomas on those of the newly qualified C. L. U.'s who were not present to receive their diplomas at the national conferment exercises at

Philadelphia last month. J. S. Myrick, manager Mutual Life and American College of Life Underwriters trustee, made the conferment address and presented the diplomas.

J. A. Fulton, president Home Life of New York, spoke on various aspects of the history of the educational movement in life insurance.

Carl Spero, chapter vice-president, distributed the new compendiums on settlement option practices. J. Fred Speer, Equitable Society, conducted the meeting.

C. L. U. Courses Resumed

The C. L. U. courses sponsored by the Life Underwriters Association of Northern New Jersey have been resumed at the University of Newark. This year Parts 1, 2, 3, and 4 will be included, each part covering a semester course.

Further Restrictions Removed

Removal of air-travel restrictions in its policies, for the entire western hemisphere, is announced by the Mutual Life of New York. Early this month it liberalized its contracts, eliminating restrictions regarding air-travel in the U. S. The new clauses apply, in addition,

to taking off restrictions on all American flag passenger air-travel, on regular routes between definitely established airports, to the West Indies, Central America and South America.

Home Beneficial in Delaware

RICHMOND, VA.—Home Beneficial is entering Delaware, opening an office at Wilmington with A. T. Powell as superintendent. Mr. Powell was formerly assistant superintendent at Charlottesville, Va. He started in Richmond as an agent. Assistant O. E. Grubbs of the East Richmond district was transferred to the detached staff at Charlottesville, succeeding Mr. Powell. Mr. Grubbs is succeeded at East Richmond by T. E. Gardner, who has been promoted to assistant superintendent.

Commissioners' Meeting

John Sharp Williams, insurance commissioner of Mississippi, chairman executive committee National Association of Insurance Commissioners, has endeavored to get a meeting of his committee on two different occasions to prepare the agenda for the mid-year meeting at New York the first week of December, but could not get a quorum. It is not his intention now to try to get another meeting until the New York assembly.

The State Life of Indiana

Is a Mutual Legal Reserve Company Founded 1894

Is in its Forty-Sixth Year of Dependable Service

Has Paid \$125,000,000 to Policyholders and Beneficiaries

Holds Assets of over \$53,500,000 for their benefit

Issues Policies from Ages One Day to Sixty-Five Years

Issues Policies on Male and Female Lives at the Same Rates

Issues Policies with Double Indemnity and Disability Benefits

Issues Juvenile, Educational Fund, and Family Income Policies

Issues Salary Continuance and Retirement Income Policies

Issues Many Other Standard and Up-to-date Policy Forms

Offers Agency Opportunities and Training for Those Qualified.

THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

**COMPETENT GIRLS
WITH INSURANCE EXPERIENCE**
Furnished by
TANNER PERSONNEL SERVICE
(Office Boys Available)
THE FIELD BUILDING
CHICAGO
Suite 1951 Franklin 5902

NEWS OF THE COMPANIES

Northwestern Is Ahead 6.8% in Sales

MILWAUKEE — Registering gains for seven consecutive months, the Northwestern Mutual Life's life sales the first nine months totaled \$148,892,591, represented by 43,495 policies, an increase of 6.8 percent. Northwestern Mutual had an additional \$9,944,449 in revivals and dividend additions, and \$3,561,118 in life annuities.

As of Sept. 30, the Northwestern Mutual's insurance in force totaled \$3,937,659,381 on 1,064 life policies, a net increase from a year earlier of \$38,932,446 and 15,159 policies.

Operations during the first nine months this year produced total income of \$160,388,836, while disbursements were \$110,406,474, resulting in an increase of \$49,982,362 in ledger assets. Income included \$95,824,398 premiums and \$40,968,585 interest and rents. Disbursements included taxes, \$3,749,557; 8,362 death claims totaling \$34,280,380 and dividends of \$23,655,428. Policyholders and beneficiaries were paid \$80,963,835, with an additional \$12,200,509 paid from funds left on deposit, principally under installment and option settlements.

Assets Show Big Gain

Total assets as of Sept. 30 amounted to \$1,341,292,191, a gain of \$62,400,014 above a year ago. Bond holdings total \$761,473,627, an increase of \$67,736,048 since a year ago. The principal increases were shown in U. S., state, county and municipal bonds which were up \$19,534,108; public utility bonds which were \$42,618,651 higher, and industrial bonds which showed an increase of \$6,591,860.

Mortgage loans totaling \$314,297,590 consisted of \$87,095,376 farm mortgages; \$202,411,921 city loans, and \$24,790,292 residence loans. Real estate amounted to \$52,930,161, including \$4,622,304 home office property and \$6,777,055 land contracts for farm and city properties sold. Policy loans totaled \$142,449,046, a reduction of \$15,636,789 from a year ago. Cash totaled \$21,253,387.

Pathfinder Mutual Life Action Stayed by Court

GRAND ISLAND, NEB.—All legal proceedings in connection with the application by two policyholders of the Pathfinder Mutual Life for the appointment of a receiver have been stayed until Oct. 29 by an order of the district court issued on the request of officers of the company. The protesting policyholders had previously served notice that on Oct. 21 they would ask for the appointment of a temporary receiver because of the alleged fact that a number of panicky policyholders were cashing in their policies under the surrender clause, whereas equity requires that the assets be conserved for the benefit of all policyholders alike. The order stays this proceeding.

A certified copy of the order was served at Lincoln upon Insurance Director Smrha and halted the taking of his deposition as to what the department records show regarding the company's condition.

The petition for the restraining order attacked the good faith of the complainants and their attorneys, asserted the solvency of the company, and urged that court proceedings be stayed until an orderly hearing can be secured.

The department has been urging upon the officers that they reinsure the company, and a conference on the matter was held recently at Lincoln with Director Smrha.

Oklahoma Commissioner Upheld

OKLAHOMA CITY — The Oklahoma attorney-general has been notified

that the federal court of appeals at Denver has reversed the holding of the federal court here in the injunction case restraining Commissioner Read from prohibiting use of a certain policy by the National Equity Life of Little Rock. The policy had been disapproved by the Oklahoma commissioner but the district court granted an injunction restraining the department from enforcing an order to discontinue its use. The commissioner is free to carry out the order under the decision.

Globe Life Corrections

In commenting on the report of the examination of Globe Life of Chicago, certain errors were made. The premium income during 1939 should have been set down as \$503,732. The figure of \$459,684 that was given, was the re-

newal premiums only. The insurance in force should have appeared as \$23,255,177. It consists of whole life \$11,250,925, endowment \$11,227,490 and term \$719,422.

To Observe 20th Anniversary

The United Fidelity Life is laying plans for its 20th anniversary party at the Dallas Country Club. An agency gathering will also be held.

R. S. Kohn has been appointed director of public relations of the Security Mutual Life of Binghamton, N. Y. For the last eight years he had been with the Syracuse "Post-Standard" and the Binghamton "Press." He started his newspaper career as a reporter after graduation from Syracuse University at the age of 19. He gained a reputation as a writer on public affairs, legal and general business topics. He becomes editor of the "Roster," Security Mutual house organ.

of Metropolitan Agents, was one of the hosts. Kenneth C. Ringer, superintendent of agents of the southern territory, spoke. B. L. Church, W. L. Hobson and J. E. Neal, agency supervisors, also were in attendance.

A similar meeting for Tennessee districts was held in Nashville with Mr. Ringer as chief speaker.

Bankers Life Salt Lake Rally

The Bankers Life of Iowa held a convention in Salt Lake City, attended by agents who had won in a 60-day production campaign honoring President G. S. Nollen and Agency Director W. F. Winterble, both of whom addressed the gathering. Utah and Idaho were the states represented. Branch Manager W. A. Crowder was in charge of the convention.

Yago Agency Has Roundup

The Rochester agency of Mutual Life under the management of Earl W. Yago held its annual convention with 45 representatives attending.

In addition to Mr. Yago, speakers included Harry Hull, Auburn; Howard D. Basler, Rochester; Howard R. Dailey, Elmira; Charles A. Cannon, Auburn; Joseph E. Silverstein, Rochester.

Jaeger Speaks to Wisconsin Men

MILWAUKEE — William Jaeger, vice-president, Bankers Life of Des Moines, spoke at a state meeting of agents here, arranged by L. W. Spickard, Milwaukee manager. He commented on the favorable showing in life insurance sales nationally so far this year, and added that the insurance position looks promising.

Cole Visits Iowa Agencies

T. W. Cole, assistant superintendent of agencies of the Travelers, visited the Des Moines branch and presided over an agency meeting. He also visited the Davenport and Cedar Rapids agencies.

NEWS BRIEFS

Twenty agents of the C. C. Tucker general agency in Wausau, Wis., for the Central Life of Iowa, attended a sales conference at which C. M. Kremer, Madison, southern Wisconsin manager, was guest speaker.

E. H. Ferguson, assistant secretary Great Northern Life, and E. P. Oertel, Chicago, assistant vice-president, spoke to 25 agents of the E. G. Leist general agency at a conference in Wausau, Wis.

CHICAGO

L. W. DOUGLAS IN CHICAGO

L. W. Douglas, president Mutual Life of New York, spoke Wednesday of this week at an "America Wake Up" meeting of the Union League Club, Chicago, on "The Third Term in American Future." The address was broadcast over WGN. Mr. Douglas became director of the budget under President Roosevelt in 1933 and, disagreeing with the new deal's fiscal and monetary policies, he resigned in August, 1934. He was principal and vice-chancellor of McGill University, Montreal, when he was elected president of the Mutual Life. He served in the Arizona house and later was elected to Congress on the Democratic ticket from that state. He served as a member of the 70th, 71st, 72nd and 73rd Congresses, resigning to become director of the budget.

Mr. Douglas is appearing under the auspices of the Democratic Willkie Club. His political talks are not by assignment of the Republican organization as he makes it plain that he is a Democrat in his politics. Following his talk in Chicago he went to St. Louis to give a political speech there.

Mr. Douglas visited the Chicago agencies Wednesday afternoon. He went to Milwaukee Thursday morning and conferred with President Cleary and Vice-

LIFE SALES MEETINGS

Jaeger and Lewis Speak in Chicago

W. W. Jaeger, executive vice-president Bankers Life of Iowa, and Marvin Lewis, superintendent of agencies, addressed a special meeting of the Marquis Bowman general agency in Chicago which was distinguished by the presence of many agents' wives as Mr. Bowman's guests. Mr. Jaeger talked on fundamentals of success, listing these as personality, ability and character, which he said must be supplemented by the will to work and by being a good citizen. Mr. Lewis discussed time control and told of the A, B, C, D plan the company has for analyzing its agents to secure a higher quality of field representation. The A agents are those that have represented the company four years or more, B agents three years, C agents two years and D agents one year. It was reported the Bowman agency in the Nollen-Jaeger campaign, Aug. 18-Oct. 18, reported average production of \$30,000 per agent.

General Agent Bowman gave figures on actual earnings by his agents which showed an immediate value of \$2,274.22 for the first full year and \$3,536.63 for the second year. Cash commissions alone for an agent's first year averaged \$1,605.84, he said, and for his second year \$2,500.32.

Figures on Agency's Results

The average agent's total franchise value in his first year has been \$3,601.80, Mr. Bowman reported, this figure including \$4.59 renewals received in cash, \$663.79 value of future renewals calculating only 1/3 of the contract value, these two items being figured in the immediate value, and finally \$1,327.58 the balance of the 2/3 of renewals. Correspondingly in the second year, \$137.05 cash renewals and \$899.25 as 1/3 of future renewals are included in the immediate value, and \$1,798.50 balance of renewals in the total franchise value.

These figures cover actual results of the average man started by the Bowman agency since April 1, 1937, who qualified for the district and advanced schools and are figured from the date of contract with no allowance for the first 10 to 15 days spent in study of fundamentals in the office, nor for policyholders' service work the first 15 to 45 days thereafter.

Mr. Bowman reported the average agent the first year made each week 57.96 calls, each worth 59 cents; 15.9 interviews, each worth \$1.88; 8.5 requests to buy, each worth \$4.27, and 1.29 sales worth \$27.79. The average week of the average agent in his second year was 55.3 calls, each worth \$1.02; 13.8 interviews, each worth \$4.12; 8 requests to buy, each worth \$7.50, and 2.05 sales, worth \$34.28. The average first year

agent earned \$30.97 cash only each week and in his second year \$50.72 weekly.

Lincoln National Agents in Michigan Hold Meeting

More than 100 Michigan agents of the Lincoln National Life met in Pontiac for a one-day sales congress. Vice-president A. L. Dern, S. C. Kattell, secretary and actuary; J. P. Carroll, superintendent of agencies, and D. B. Semans, chief underwriter, attended from the home office. General Agents M. J. Maloney of Pontiac and J. A. Sandham of Cass City served as joint chairmen and hosts.

Round table discussions featured the program. General Agents A. G. Green and N. F. Parr, Grand Rapids; G. F. Lofthouse, Detroit; J. M. Grace, Adrian; J. A. Sandham, Cass City, and Superintendent of Agencies Carroll presided.

Prominent judges, lawyers, doctors and business men of Pontiac were guests at a luncheon. Prosecuting Attorney Charles Wilson was toastmaster. Mayor Booth delivered an address of welcome and talks were also given by Donald Walker, manager of the chamber of commerce, and President Zimmerman of the Pontiac Life Underwriters Association.

Mr. Sandham presided at the afternoon sessions. District Agent S. H. Cochran of Caseville told of his experiences in writing insurance on the lives of policyholders; J. W. Hackett, district agent in Jackson, talked on mortgage redemption insurance and led a lively discussion on the same subject and Mr. Carroll described various company sales kits and urged their use.

Mr. Dern closed the meeting with a talk on "The Opportunities Open to All."

State Farm Nebraska School Held

The State Farm Life held a two-day school of instruction for 16 managers and 54 agents at Grand Island, Neb. E. A. Tyler, state director, and his assistant, V. R. Hoover, were in charge. George Davies, home office supervisor, was instructor.

Metropolitan Parleys in South

NEW ORLEANS—K. C. Ringer, superintendent of agencies Metropolitan Life, and Max C. Fisher, assistant secretary, attended a sales meeting here of 221 field men from Louisiana and Mississippi. Similar conferences will be held in Atlanta, Jacksonville, Birmingham, Nashville, Charlotte, and Richmond.

CONFERENCE IN ATLANTA

About 500 Metropolitan Life field men attended an educational conference in Atlanta. Harry W. Indell, Atlanta, president of Georgia-Florida Association

president Edmund Fitzgerald of the Northwestern Mutual Life. He returned to Chicago and late Thursday afternoon gave an address to all the Mutual Life people in Chicago at the Hotel LaSalle. At the Union League luncheon the four Chicago managers, C. L. Coyner, Gifford T. Vermillion, John R. Hastie and Samuel Heifetz, were present with W. G. Warren, manager clearing house, and a director of the Mutual Life.

LUNCHEON FOR H. B. HERSHEY

The Illinois insurance committee, an independent organization of insurance people, is sponsoring a luncheon rally in Chicago on Oct. 29 at the Hotel Sherman for H. B. Hershey, Democratic candidate for governor.

Dr. J. H. Pearce, state chairman of the committee, is a prominent representative of the Connecticut Mutual Life in Peoria. In commenting on the candidacy of Mr. Hershey, Dr. Pearce states: "This is the first opportunity for insurance men and women to elect one of our own members to the governorship. For the past seven years, Mr. Hershey has been in charge of the liquidation bureau of the Illinois insurance department. In that work he has had an opportunity to observe at close range those phases of company management and operation which caused their insolvency. Because of his intimate knowledge of the work of the department, the policyholders will continue to be zealously safeguarded. Mr. Hershey is a strong advocate of state supervision of insurance. Public confidence in the insurance business will be maintained on its present high plane by the election of Harry B. Hershey as governor."

Among the prominent insurance men throughout Illinois serving on the advisory committee are: F. J. Budelier, Rock Island; T. E. Dowling, East St. Louis; T. J. Duffner, Jacksonville; J. E. Ewers, Danville; G. C. Fraker, Campaign; W. C. Gore, Cairo; T. W. Howard, Chicago; W. A. Ivey, Decatur; S. E. Moisant, Kankakee; J. L. McGinnis, Joliet; C. A. Marks, Galesburg; J. J. Starkey, Clinton; K. H. Sullivan, Quincy; D. E. Thompson, Rockford.

WADE FETZER, JR., MILITANT

Wade Fetzer, Jr., vice-president W. A. Alexander & Co., Chicago, has been giving a great portion of his time recently to the Vote Fraud Voters Alliance of Chicago. This is an alliance of the Chicago Business Men's 1940 election committee, the Illinois volunteer committee of the stop vote fraud and the fraud bureau of the Republican Cook County central committee. Mr. Fetzer was elected chairman of the new group. He is vice-president of the business men's committee. He and his associates who are chiefly young men are putting forth heroic efforts to minimize fraud registration and voting in Chicago.

ABANDONS THE "BULL PEN"

In the rearrangement of the managerial offices of the New York Life in Chicago, it is quite evident that Inspector of Agencies Lloyd Lafot is not favorable to the "bull pen" plan. By the "bull pen" in life insurance is meant the large room that is usually found in agency offices where there are a number of desks occupied by "mine run" producers. Those recording larger amounts are given private offices which they occupy themselves or with other associates. In some cases there may be from two to eight agents in one office.

In the layout, for example, of the Central Branch in its new location at 134 South LaSalle street, presided over by Agency Director J. S. Fredrickson, one gets the impression of a professional office something like a series of doctors' offices. There is no large central space as is usually found in a life insurance office. Halls branch off containing the private offices. In case of the larger producers each has an office occupied solely. There are some with two agents in the same office, others with three and some up to seven or eight. These are graded according to their vol-

ume record. Even those sharing offices with six or seven are in a much better position than out in a large room. The grouping of agents in this way gives them more privacy than where there are a large number, 20 up to 50 men in a "bull pen."

PLANS MOVE TO LARGER QUARTERS

The Pilkington-Giese agency, Bankers Life of Nebraska, Chicago, will be moved into larger quarters on the 11th floor at 208 South LaSalle street by the middle of December. The move is necessitated by a 300 percent increase in business in the last year. The cashier's department and the producers' space will be greatly enlarged. Ivar Lombard has been added to the agency force.

S. E. LARSON RANKS HIGH

Samuel E. Larson, associated with the John R. Hastie agency of Mutual Life in Chicago, was one of the company's leading producers for the country during September. Mr. Larson is a past director of the Chicago Life Underwriters Association and a member of the Illinois Bar and American Bar Associations. He is chairman of Hebard Storage Warehouses and president of Planned Estates, Inc.

RECEPTION FOR ROGER VAIL

H. S. Vail & Son of Chicago, nationally known life insurance production organization, held a reception Tuesday afternoon for Roger Vail, who has now become a member of the firm. Roger Vail's late father was connected with the organization for many years. He is a nephew of Malcolm Vail, who is head of the firm. He has heretofore been connected with the E. W. Hughes agency of Massachusetts Mutual Life in Chicago.

HERMAN ZISCHKE RECEPTION

Dozens of friends visited the offices of the Herman A. Zischke agency of Union Central Life in Chicago Tuesday afternoon. Mr. Zischke held open house because of the completion of extensive redecorating and rearranging of the office. Modern type installations have been made, and most of the individual offices are of the semi-private variety. The agent has enough privacy, but the circulation of air is not impeded nor is the general lighting. The office layout follows a general pattern that was devised by Adolph Barry of the home office. Twelve Union Central offices in the middle west have already been restyled according to this pattern. In addition to Mr. Barry, those from the head office at the Zischke reception were K. D. Hamer, assistant superintendent of agents, and Glenn Bryant of the financial department.

ACTUARIES DISCUSS CHANGES

The new basis on which nonparticipating premium rates have been calculated by the leading companies in the changes made recently, makes scarcely any change in the net cost on life forms and is more favorable to policyholders than the old formula. R. I. Booth, statistician Travelers, Chicago, declared in a discussion at the first fall meeting of the Chicago Actuarial club. Table Z mortality is used, modified for select mortality during the first five policy years, he explained. Table Z unmodified is an ultimate table. The result is a premium rate that is higher than the old 3½ percent but not so high as a 3 percent table would produce, other than Table Z modified.

There are the usual expense assumptions, Mr. Booth commented. No premium is derived by this formula that is less than American Experience 3 percent net. Cash value calculations are made the same way as under the old 3½ percent basis, except that 3 percent American Experience table is used. The cash values, therefore, are increased. Mr. Booth's remarks related to methods employed by Travelers, Aetna Life and Connecticut General. Many companies, however, are said to be employing essentially the same plan.

The surrender charge is \$24.50 up through 13 years, \$12.50 in the 19th year, and full reserve thereafter. W. O. Morris, secretary-actuary North American Life, and F. E. Huston, secretary-actuary American Life Convention, also commented on the changes. Mr. Huston distributing an A.L.C. survey of companies' recent policy changes. Interest rates were discussed, and John Gall, Continental Assurance, took up changes in policies and company practices.

R. J. Wiese, general agent Northwestern National Life, Chicago, will be host to agents who meet their quotas and their wives at the Northwestern-Minnesota football game in Evanston, Ill., Nov. 2. That evening he and Mrs. Wiese will be at home to the entire agency at their home in Kenilworth.

General American's Drafter Plan

Employees of the General American Life who have been with it a year or longer will receive a month's salary if drafted for military training. Those with the company for less than a year will receive a half month's salary. These provisions will also apply to those who volunteer for military service, provided

the training period does not exceed one year.

Non-contributory group life insurance, all cost of which is borne by the company, will be continued. In the case of contributory life insurance, the company will advance the amount required of the employee, making individual arrangements for repayment when he returns to the company's service.

Chicago Agencies to Meet

W. M. Rothaermel, agency vice-president Pacific Mutual Life, will address a joint dinner meeting in Chicago Oct. 30 of the company's three general agencies here. These are the agencies of E. E. Henderson, E. S. Rappaport and J. L. Watts. The railroad department under C. H. Davis, manager, and the claim department under Manager T. F. O'Neil will take part. Jens L. Smith, manager of agencies, will accompany Mr. Rothaermel and also speak. The three general agents will be co-chairmen and Mr. Henderson is in charge of arrangements.

The head office staff of Mutual Life of Canada recently subscribed \$2,200 to the Canadian Red Cross fund for 1941. This was an increased subscription of 25 percent over the previous year.



Enthusiastic Approval

Has been given the Minnesota Mutual Pay-Roll-Deduction-Family-Policy-Plan, by employers and employees alike. Besides the unique Family Policy, the individual employee chooses any other type, any amount of insurance for himself and his family. The small monthly payroll deductions involve practically no expense to the employer.

Over 350 firms now use this plan, and the opportunities for further development of this field are most attractive.

In addition we offer our Field Force:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for agents.
6. A unique supervisory system.
7. Organized Selling Plan.
8. Unusually effective selling equipment.
9. Policies for every purpose: Regular—Family—Juvenile—Women—Group—Payroll Savings, etc.
10. Low monthly premiums.

A \$235,000,000.00 Mutual Company, 60 years old with an understanding, cooperative Home Office.

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

NEWS OF LIFE ASSOCIATIONS

To Hold Managers' School Preceding Illinois Parley

PEORIA, ILL.—The Peoria General Agents & Managers Association in conjunction with the Illinois Association of Life Underwriters will put on an all-day session Nov. 1 in charge of K. E. Williamson, Massachusetts Mutual, Peoria. B. N. Woodson, Sales Research Bureau, will speak. The morning session will start at 10 a. m. and will continue in the afternoon.

At 4:30 p. m. the Illinois association will hold its semi-annual meeting followed by a banquet for local association officers and delegates. On Nov. 2 a breakfast meeting for local association officers will be held at 8 a. m. with Miss Joy M. Luidens, executive secretary Chicago association, presiding.

The all-day sales congress will start at 10 a. m. C. J. Zimmerman, Chicago general agent Connecticut Mutual and past president National association, has been added to the list of live wire speakers already announced. A large attendance is expected according to President F. P. Beiriger, Connecticut Mutual Life general agent, Rockford.

Chicago Women's Division Hears Anne Miller

With 55 members attending, the women's division of the Chicago Association of Life Underwriters held the first luncheon meeting of the fall season with Anne Miller, Joliet general agent, Country Life, being the principal speaker. Miss Miller, who has been in the life insurance business for only five years and during that period has written \$368,000 a year or better, chose as her subject "How to Sell." She gave a most interesting as well as humorous and illustrative talk, stating that every agent, man or woman, in order to be successful must work hard and have the proper mental attitude toward the business. In addition, she said, the successful agent must be able to create his own atmosphere to make the sale, have the ambition to make quotas set up for him, have a thorough knowledge of the business and to be most sincere. These points, she said, are most important. In referring to the "warming up" process used by some agents, Miss Miller commented, that she has found that it is better to "fry the prospect in one call" than to "warm him up piece by piece in a series of calls."

Mrs. Garland Kahle, Equitable Society, chairman of the division, presided and gave a report of the Philadelphia convention of the National Association. Discussions were led by Elizabeth Johnson, Rockwood Company, on "Social Security;" B. M. Dixon, John Hancock Mutual, on "Prospecting;" Lillian French Reid, New York Life, on "Direct Mail;" Sara Frances Jones, Equitable Society, "Tax Approach," and Rose B. Fuller, Massachusetts Mutual, on "Programming."

Emery Kalamazoo Speaker

KALAMAZOO, MICH.—Commissioner J. G. Emery of Michigan told a joint meeting of the Kalamazoo Association of Insurance Agents and the Kalamazoo Association of Life Underwriters that the insurance business is much better prepared at the moment for a war emergency than is the federal government. He derided the apparent efforts of the government to gain a controlling hand over the companies. He said Michigan has no need for more agents but does need more "trained agents."

Buffalo—Paul Troth, supervisor of publicity Home Life of New York, will speak Oct. 31. M. A. Tabor, trustee of the American College, will present C.L.U. certificates to D. R. Hinkley, S. C. Collins and R. S. Spurr.

List Notable Speakers for Southeast Kansas Congress

Speakers for the Southeast Kansas Sales Congress at Pittsburg Oct. 24 have been announced, including Warren Woody, agency manager Equitable Society, Chicago; Harry T. Wright, president National association, Chicago; W. M. Osterberg, dean of Coffeyville Junior College; Commissioner Hobbs of Kansas, Superintendent Lucas of Missouri, H. A. Hedges, trustee National association, Kansas City; Paul C. French, president Missouri association, St. Louis, and J. E. Conklin, president Kansas association, Hutchinson. Frank W. Sutton, Coffeyville, convention chairman, will preside. R. C. Tharrington, president of the Pittsburg association, will extend greetings.

The general agents and managers will gather for a dinner meeting the previous evening with President J. E. Conklin of Hutchinson presiding. Speakers on that program include E. A. Hasek, Kansas City, general agent National of Vermont; P. B. Turner, general agent Home Life, Kansas City; Fred Holderman, Jr., district manager Equitable Society, Kansas City; J. F. Trotter, general agent Mutual Life of New York, Kansas City; Leo R. Porter, general agent Lincoln National, Wichita, and Paul Wallace, manager Equitable Society, Tulsa.

Harry Wright on the Wing

Harry T. Wright of Chicago, Equitable Society, president National Association of Life Underwriters, arrived home Monday from an eastern trip and left Wednesday evening for Kansas City, where he was billed to give an address, and then went on to Pittsburg, Kan., to give a talk. Mr. Wright is a busy man. He attended the luncheon at the Union League Club, Chicago, Wednesday noon when President Lewis Douglas of the Mutual Life of New York spoke.

Discuss Texas Round Table

The executive committee of the Texas Leaders Round Table met with the president and secretary of the Texas Association of Life Underwriters in San Antonio to discuss rules and regulations concerning membership.

Wausau, Wis.—Every agent has unlimited opportunity for training and instruction. C. M. Kremer, Madison, southern Wisconsin manager Central Life, Ia., told the October dinner meeting.

Worcester, Mass.—Former Mayor Edwin O. Childs of Newton addressed the Central Massachusetts association on "How the Business Man Looks at the Life Insurance Agent." Thirty-four applications for membership were approved. Special guests included W. C. Bowen, superior court clerk of Worcester; Warrent Purcell, New York Life, Boston, and Pliny Kidder, honorary member.

Akron, O.—A resolution was adopted endorsing the sentiments expressed by S. D. Weissman, Equitable Society, Boston, in an address before the Boston C.L.U., setting forth the field man's point of view. Copies of the resolution are being sent to officers of the National association, the Ohio association and to the presidents of life companies.

Peoria, Ill.—J. A. Nelson, R. & R. Service, addressed the last meeting. Honored at the meeting was Samuel Berkman, Peoria, who has been with Metropolitan Life 40 years.

Toronto—"Every life policy is a declaration of independence," E. J. MacIver, assistant secretary Prudential, declared. Life insurance is symbolic of immortality, patriotism, democracy and security, he said.

New Haven, Conn.—R. H. Denny, director of agencies State Mutual Life, talked on "Getting Back to Fundamentals." Mr. Denny spoke the day before to the General Agents & Managers Association, and prior to the underwriters meeting addressed a joint gathering of State Mutual agents from the New Haven and

Hartford offices, held in the R. C. Mix agency. Mr. Mix is secretary-treasurer of the General Agents & Managers Association and secretary of the underwriters association.

Chicago—At a meeting of vice-chairmen of the membership committee, W. E. North, New York Life, chairman, with P. J. McNamara, Metropolitan Life, and R. R. Reno, Jr., Equitable Society, co-chairmen, plans were formulated for holding the present mark of more than 2,100 members and to set a record for 100 percent agencies. Attending were Fred Meyer, Northwestern Mutual; Jack Rawles, Reliance; William Dunkak, Mutual of New York; E. H. Winkel, Travelers; W. J. Zuckerman, and Morris Levy, Metropolitan.

Members who are drafted or enter the military or naval service will have their memberships carried without cost, President W. M. Houze announced. The general agents and managers division will meet Oct. 28 with J. D. Moynahan, chairman, presiding. There will be a report of the general agents and managers division of the National convention at Philadelphia by P. B. Hobbs, Equitable Society, national committeeman, and L. S. Broadbudd, Guardian Life. A lecture series to be known as the "Saturday Morning Forum," will begin in January and continue for 10 weeks. G. L. Grimm, Northwestern Mutual, chairman educational committee, announced two lectures will be held each week, one speaker being prominent in life insurance and the other in business. Tuition for the series is \$1 for members and \$7 for non-members.

Stanley Martin, general agent State Mutual Life, Columbus, O., will be the speaker on Nov. 8 at the luncheon meeting. He is a life member of the Million Dollar Round Table and has been on programs of the National association. He will talk on "Make Them Think." The directors have approved the appointments made by President Houze to fill two vacancies on the board. The vacancy caused by the promotion of W. H. Siegmund as general agent for Connecticut Mutual Life at Los Angeles was filled by Earl Juers of the Caperton agency of the State Mutual Life and the vacancy caused by the promotion of C. B. Devoil to manager for the Great-West Life at Grand Rapids, Mich., was filled by R. C. Frasier, Great-West Life.

Kansas City, Mo.—O. D. Douglas, Lincoln National, San Antonio, trustee of the National association, speaks Nov. 7 at noon and will address the managers meeting that evening.

H. T. Wright, Equitable Society, Chicago, president National association, gave a talk Oct. 24 on "Life Insurance, a Great Democracy." Judge Cave, of the Kansas City court of appeals will talk on "Administration of the Missouri social security law and its probable effect on life insurance."

Cleveland—A comprehensive booklet telling the story of the Cleveland association and its many activities has been published. It is expected to be a great asset in selling memberships. Hitherto it has been difficult to present the complete picture of what the association's work entails and what it means to the membership.

The Cleveland association has decided to award honorary memberships to all present members who are called to the colors. This means that their membership will be retained without payment of dues. Many have already been called to serve in the national guard.

St. Louis—The uncertainty of the times is placing a greater demand upon the professional services of the life insurance underwriter, M. C. Fisher, assistant secretary in charge of field training for the Metropolitan Life, declared.

"The world is witnessing tremendous political and economic changes," he said, "changes that bear upon individual life insurance programs. The life underwriter must be constantly alert to detect any change affecting the interest of his policyholders. Never have the times placed such importance on intelligent life insurance planning."

Gale F. Johnston, Metropolitan Life, who was elected a trustee of the National association at the Philadelphia meeting, was honored at the luncheon.

Austin, Tex.—Walter Woodward, Texas life insurance commissioner and chairman of the Texas Board of Insurance Commissioners, was guest of honor at the October meeting.

Syracuse, N. Y.—C. M. Sherman, Buffalo general agent Connecticut Mutual Life, spoke on "Sparks and Sparkplugs."

Northern New Jersey—A. J. Johanssen, Brooklyn general agent Northwestern

Mutual Life, will speak Oct. 30 in Newark to the training course.

New Bedford, Mass.—Merle G. Summers, Boston general agent New England Mutual Life and chairman of the legislative committee of the Massachusetts association, spoke on the value of organization in meeting adverse political legislation.

Springfield, Mass.—T. W. Foley, New York general agent State Mutual Life, stressed the importance of selling one's friends life insurance instead of letting some one else do it. "No one in the life insurance business ever failed because he knew too many people who liked him," Mr. Foley said.

Pittsburgh—F. L. McFarlane, Cleveland special agent Aetna Life, will speak Nov. 14.

Rochester, N. Y.—Paul Troth, supervisor of publicity of Home Life spoke on "Ideas That Click" based on sales ideas which he developed in the column he wrote for "The Eastern Underwriter" when he was with that paper as assistant editor.

The theme of the talk is built around this statement from a million-dollar producer: "In every case before I try to sell a man life insurance I try to determine why that man needs life insurance and then I go tell him about it." Mr. Troth spoke from the standpoint of a policyholder. He said: "I believe the ideas used in the column were subjected to a double test. First of all they clicked with me as a prospect and a potential buyer of more life insurance." He developed the sales ideas used by successful producers in selling young married men, men who are the heads of families and men who are interested in retirement income.

Mr. Troth was the guest of the General Agents & Managers Association in the evening.

AGENCY NEWS

Pittsburgh Agency Marks 85th Anniversary

PITTSBURGH.—The 85th anniversary of the Pittsburgh agency of Connecticut Mutual Life was observed with



ROBERT N. WADDELL

a day of meetings and conferences climaxed with a banquet.

Vincent B. Coffin, vice-president and superintendent of agencies, acted as toastmaster. Robert N. Waddell, general agent, was presented a huge birthday cake and a desk set by his associates. Speakers included V. S. Molauer, supervisor; W. W. Peterson, W. D. Stouffer and Fred Brand, Jr., members of the agency.

Harry J. Talman Is Feted

Harry J. Talman, who was this year's president of the New York Life Top Club, and Mrs. Talman, were feted at a banquet in Worcester, Mass., to which Mr. Talman is attached. The production of the branch in September was dedicated to Mr. Talman with a result that

it was the best month in the history of the unit. Special guests at the dinner were Frank B. Summers, inspector of agencies, and Warren R. Purcell, agency organizer. Paul A. Norton, agency director at Worcester, was toastmaster.

The annual three month training class of the Worcester branch got under way the other day for members who have completed the company's preliminary training. The 12 members who took the course last year doubled their production afterwards. The course is being handled by Mr. Norton, Carl H. Bartlett, cashier, Mr. Talman, Frank R. Bowler and H. J. Begley.

Award Banner to Gamble

President O. J. Lacy of the California-Western States Life, R. P. Cox, vice-president in charge of agencies, and B. T. Cantrell, Texas supervisor, have been visiting the Texas agencies. In San Antonio they presented a blue silk banner to the W. A. Gamble agency for outstanding production.

Honor Fraser in Toledo

P. M. Fraser, executive vice-president Connecticut Mutual Life, was guest of honor at a dinner given by the Toledo, O., agency. Frank Carlucci is general agent there.

H. H. Heath Agency Honored

Thirty-three agents and guests of the southern division of the Farmers & Bankers Life honored the H. H. Heath agency in Fort Worth for its growth in production from 36th to 14th place among the company agencies in the six months since the Fort Worth agency was opened April 10. J. H. Stewart, Jr., vice-president and treasurer, represented the home office at the meeting. The group drove to Dallas for luncheon and the Texas University-Oklahoma University football game, returning to Fort Worth for a banquet and dance.

To Witness Football Game

Winners of the "football production contest" which is being waged by the agency force of the John A. Ramsay agency of the Connecticut Mutual Life in Newark will be the guests of Mr. Ramsay at the Princeton-Yale game at Princeton, Nov. 16.

The Henry M. Fraser, Jr. Association, composed of the Penn Mutual Life agency force of Manager Fraser's office in Boston, has elected Milton Street of Cambridge, president; Mrs. Fanny Harris, vice-president; and Robert Irwin, secretary-treasurer.

Must Pay Tax on Renewals When Not Operating in State

Although Continental Assurance is no longer operating in Tennessee, it must continue to pay the state premium tax on renewal premiums collected by mail, the United States Supreme Court has held in dismissing the company's appeal from a lower court decision. The Supreme Court decided that there was no substantial federal question involved.

Texas Executives Rename Officers

The Texas Association of Life Insurance Executives reelected the entire slate of officers at its annual meeting in Dallas. Continued in office were Burke Baker, president Seaboard Life of Houston, as president; S. J. Hay, president Great National Life, Dallas, vice-president, and Paul V. Montgomery, vice-president and actuary Southland Life, Dallas, secretary-treasurer.

Texas legal limitations on the use of war and aviation exclusion riders and legislation which is being proposed by the Texas department to amend certain existing insurance laws were discussed by George Van Fleet, actuary of the Texas department. David B. Barrow, chief examiner, also attended the meeting.

POLICIES

Connecticut General New Non-par Rates

The new non-participating rates of Connecticut General Life on 3 percent basis for a number of more popular forms are shown below. No change has been made in the term policies nor in the family income form, and the convertible at 65 shows only slight changes at younger ages. The participating policies have been on a 3 percent basis for several years.

In the retirement income form, the cash value at maturity formerly was \$1,500 per unit, but is \$1,522, the same as the similar participating form has been. The rates are:

Age	Ord. Life	20 pay yr. end.	20	Ins. to age— (\$10 monthly income) male		
				55	60	65
20	\$14.63	\$24.12	\$44.69	\$37.65	\$28.62	\$22.60
21	14.97	24.55	44.70	38.25	29.22	23.23
22	15.34	25.00	44.71	40.91	30.78	24.10
23	15.73	25.46	44.73	42.59	31.97	24.92
24	16.13	25.93	44.75	44.52	33.23	25.79
25	16.56	26.42	44.79	46.59	34.58	26.71
26	17.01	26.95	44.84	48.83	36.02	27.69
27	17.50	27.49	44.92	51.25	37.57	28.74
28	18.00	28.06	45.00	53.86	39.12	29.78
29	18.54	28.64	45.10	56.70	40.89	30.96
30	19.10	29.25	45.20	59.78	42.79	32.22
31	19.66	29.84	45.30	63.12	44.81	33.54
32	20.25	30.47	45.42	66.78	46.99	34.95
33	20.83	31.12	45.56	70.55	49.36	36.46
34	21.55	31.80	45.72	74.97	51.92	38.09
35	22.24	32.49	45.89	79.86	54.71	39.83
36	23.05	33.29	46.16	84.11	57.82	41.77
37	23.89	34.11	46.45	90.12	61.22	43.86
38	24.77	34.95	46.76	96.48	64.70	45.97
39	25.69	35.82	47.10	104.07	68.77	48.38
40	26.67	36.74	47.48	112.72	73.29	51.02
41	27.69	37.67	47.88	122.10	77.11	53.87
42	28.75	38.63	48.31	132.55	82.55	56.98
43	29.89	39.64	48.79	143.39	88.30	60.16
44	31.08	40.70	49.32	161.14	95.17	63.89
45	32.35	41.82	49.91	179.01	103.26	68.01
46	33.67	42.95	50.52	...	111.44	71.46
47	35.06	44.14	51.19	...	121.77	76.41
48	36.52	45.38	51.92	...	132.39	81.60
49	38.08	46.69	52.73	...	146.53	87.82
50	39.72	48.06	53.61	...	162.58	94.88
51	41.46	49.51	54.57	...	...	102.49
52	43.29	51.04	55.63	...	...	111.82
53	45.24	52.65	56.78	...	...	121.32
54	47.30	54.35	58.03	...	...	134.02
55	49.49	56.16	59.40	...	...	148.35
56	51.80	58.08	60.90	...	...	...
57	54.25	60.12	62.53	...	...	...
58	56.86	62.29	64.32	...	...	...
59	59.62	64.61	66.26	...	...	...
60	62.55	67.09	68.39	...	...	...
61	65.67	69.75	70.71	...	...	...
62	68.98	72.59	73.23	...	...	...
63	72.51	75.66	75.91	...	...	...
64	76.27	78.95	79.00	...	...	...
65	80.27	82.50	82.64	...	...	...

Age	Life full pd. to—			20 pyt. ins. to— (\$10 mo.) male		
	50	55	60	55	60	65
20	\$18.67	\$17.27	\$16.29	\$53.92	\$43.45	\$35.69
21	19.37	17.84	16.77	55.31	44.52	36.50
22	20.12	18.44	17.28	56.74	45.62	37.33
23	20.93	19.06	17.82	58.00	46.76	38.20
24	21.82	19.75	18.39	59.52	47.94	39.10
25	22.78	20.49	19.01	61.09	49.16	40.03
26	23.84	21.30	19.67	62.71	50.43	41.01
27	25.00	22.18	20.35	64.39	51.75	42.03
28	26.28	23.13	21.12	66.12	52.92	42.93
29	27.69	24.16	21.94	67.93	54.32	44.03
30	29.25	25.27	22.81	69.78	55.77	45.16
31	30.95	26.45	23.72	71.66	57.24	46.31
32	32.86	27.75	24.71	73.61	58.76	47.52
33	34.87	29.18	25.77	75.34	60.34	48.78
34	37.00	30.76	26.93	77.42	61.97	50.07
35	40.06	32.49	28.18	...	63.65	51.41
36	43.11	34.49	29.61	...	65.46	52.86
37	46.87	36.72	31.16	...	67.33	54.36
38	50.84	39.04	32.85	...	68.98	55.79
39	56.00	41.82	34.69	...	70.95	57.28
40	...	45.00	36.74	...	...	58.94
41	...	48.38	38.98	...	...	60.64
42	...	52.53	41.45	...	...	62.37
43	...	56.92	44.04	...	...	63.94
44	...	62.64	47.15	...	...	65.81
45	...	...	50.69	...	...	...
46	...	...	54.43	...	...	...
47	...	...	59.02	...	...	...
48	...	...	63.84	...	...	...
49	...	...	70.12	...	...	...

Great-West Extends Its Monthly Premium Plan

More Great-West Life policies are available on the monthly premium basis due to reduction of the minimum monthly premium from \$10 to \$5. This change applies to all plans but retirement annuity, provided the amount of insurance is not less than the permissible minimum. Minimum monthly premiums for retirement annuities remains \$10. Premium rates will be on the same basis as shown in the rate book for monthly premiums of \$10 or more (the amounts available for smaller monthly

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Fortieth Anniversary

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Fidelity is naturally proud of this contribution to the development of modern insurance, but Fidelity is equally proud of the many other effective tools in its work kit—twenty-eight regular policy forms, with numerous combinations of supplementary agreements.

Fidelity, now in its sixty-second year, operates in thirty-six states and the District of Columbia. More than 131 millions of assets.

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PHILADELPHIA
WALTER LEMAR TALBOT, President

premiums being in proportion. The applicant must have a regular income sufficient to enable him to meet the monthly premium, and monthly premium policies will not be issued to applicants whose incomes fluctuate widely from month to month. The \$5 minimum is exclusive of premiums for any disability, accidental death or family protection benefits. First year commission will be paid monthly on these policies where the monthly premium is \$10 or more and quarterly where it is less than \$10.

Great-West points out that this broadening of the rules should result in increasing the size of applications or securing business not otherwise obtainable, as many applicants will be prepared to pay on a monthly basis for larger policies than on annual or semi-annual. Generally, however, it is emphasized, it is more advantageous to applicant and agent to place the insurance on the annual basis.

Family Income Plan of the Mutual Life

The Mutual Life of New York has announced a family income policy embodying certain features not included in its family protection policy which is also being continued.

The family income policy provides in the event of the death of the insured within a specified term of years from issue, a monthly income for the balance of such specified period of years from the date of issue of the policy and further provides a single sum amount payable at the end of the income period. In the event the insured survives the specified term of years from issue, insurance equal to the single sum amount, but payable at the insured's death, continues thereafter on the ordinary life plan.

Three Types Are Given

For each \$1,000 of face amount the monthly income is \$10. The three types of plan written are an income period of 20 years from issue (family income 20 years), 15 years from issue (family income 15 years), and 10 years from issue (family income 10 years), the choice of plan being made at issue of the policy.

If the right to commute the income and face amount has been given, the beneficiary, at the death of the insured within the term period, may elect to receive the commuted value, computed at 2½ percent interest compounded annually, of the future monthly income payments and of the face amount.

The payee of the monthly income must be a natural person receiving in his or her own right, otherwise the commuted value will be paid.

Special Needs Are Met

The new family income policy is specifically designed to cover the needs of the parent whose children have not attained a self supporting age and the insured under this policy has the advantage of being able to estimate more accurately the number of years for which income is needed than under the original plan of the family protection policy, which provides for income to begin at the death of the insured. In some cases this may carry the income period beyond its intended child-supporting need, while in the family income policy, the exact span of this need may be more readily calculated.

Both the family income and the family protection policies will continue to be offered by the Mutual Life, as each has a specific place in the modern application of life insurance to family requirements. The Mutual Life first announced its family protection plan in 1934. It was proved effectively popular and the addition of the family income policy is expected to increase the popularity of this type of protection.

Remove Air Travel Restriction

Removal of all restrictions on air travel in the United States and accept-

ance of business at standard rates, where passengers use the regularly established service of passenger-carrying air lines, has been formally instituted by Pacific Mutual Life. During the past four years this practice has been followed in effect, but the rules were never before officially promulgated.

Accidental total loss benefits will be handled in the same manner as larger amounts of life insurance, on an individual basis.

Connecticut Mutual Has Some War Restrictions

Although Connecticut Mutual, similar to most of the companies, has not adopted any general war clause, it has been found necessary to place some limitations on acceptance of applicants who present special war hazards. Acceptable members of the army, navy, marine corps and coast guard now are limited to \$5,000, with no initial or regular term insurance, graded premium life, family income, family maintenance or form 5 continuous installment plan issued to them.

National guardsmen and reserve officers, whether married or single, are limited to \$10,000, of which not more than \$5,000 may be on the graded premium life or any term plan. Single men age 35 or under are now limited to \$25,000 because of the possibility of conscription. Not more than \$10,000 of this amount may be on the graded premium life or any term plan. Married men age 35 or under are limited to \$50,000. Any insurance in force issued prior to Sept. 1, 1939, generally will be disregarded in computing these limits, especially in regard to the army, navy, marine corps,

coast guard, national guard and reserve.

The agents have been asked to ascertain in all cases where the application exceeds \$5,000 whether the applicant has any national guard or reserve connection. In the short time since these rules were adopted very few cases have been found that fell under these classifications. The company states that while it will continue a liberal underwriting policy consistent with the changing conditions, it may be necessary to restrict in amount or plan, or even to decline outright, certain individual cases without previous announcement, even though under normal conditions these would have been acceptable.

Equitable Society Increases Annuity Premium Rates

NEW YORK—Equitable Society will put into effect increases in gross premium on single premium immediate and deferred annuities on applications submitted after Oct. 31 and on group annuities on business submitted after Nov. 16. The 1940 single premium annuity dividend scale does not apply to the new rates. The company has informed its field force that no new dividend figures can be quoted on the basis of the new rates until the company takes action on the general scale of dividends for 1941.

The group annuity interest assumption is being cut from 3 percent to 2½ percent, the increase in gross premium rates being about 15 percent on the average. However, since these rates like the current group annuity rates are on a participating basis, the increase in gross rates does not necessarily mean a corresponding increase in net cost.

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LIFE AGENCY CHANGES

R. E. Wood Phoenix Mutual Manager at San Francisco

SAN FRANCISCO—C. W. Peterson, manager of the San Francisco offices of the Phoenix Mutual Life, who has just returned from a conference with home office officials at Hartford, has announced that while there he decided to relinquish his duties as manager and go into personal production as associate manager.

He will be succeeded by R. E. Wood. He has been with the Phoenix Mutual for the past 10 years, for the last four as supervisor in Seattle, San Francisco, Los Angeles, New York and Cleveland. He has arrived in San Francisco from Cleveland and will assume his new duties immediately.

Mr. Peterson's Career

Mr. Peterson entered life insurance as a part-timer with the Phoenix Mutual Life in January, 1919, while attending the University of Washington. It was through his personal production that he took care of his college expenses and following graduation took a full time contract with the Seattle agency in 1920. He remained in personal production with that agency until October, 1935, developing into a \$500,000 a year producer with an outstanding record for number of policies written. In October, 1935, he came to San Francisco as manager and started from "scratch," the company's agency in San Francisco having been dormant for several years. From this beginning he has built the agency to where it has ranked consistently among the leaders, particularly in the development of consistent producers with a high record of persistency on their business. He has developed a number of outstanding life salesmen.

Franklin Life Iowa Manager

W. V. Herhille has been appointed Iowa state manager for the Franklin Life with headquarters at Ottumwa. He has been in the life business there since he graduated from Iowa State College in 1929. He has been state supervisor for the Ohio National Life with headquarters at Ottumwa.

Rickert Denver General Agent

Wallace J. Rickert, formerly field assistant to Clayton Mammell, home office general agent Farmers & Bankers Life, Wichita, Kan., has been appointed general agent in Denver. H. P. Hamilton, formerly of Newton, succeeds him in Wichita.

Brainerd Carlyle, a member of the North American Life's Toronto-Bay branch, has been appointed manager at Winnipeg, succeeding W. C. Banfield, who is now with the Royal Canadian Air Force.

Takes New Post

B. F. Heald, who becomes general agent of the Lincoln National Life at Cincinnati, has been in the business for 15 years. For the last 11 years he has been connected with the Provident Mutual and has been a member of its leaders club right along. He is a graduate of the University of Wisconsin. He has made a good record in personal production. The Lincoln National Life expects to expand its activities considerably in Cincinnati.



B. F. Heald

Metropolitan Changes at Staten Island and Peekskill

R. V. Huttar, manager Metropolitan Life, Peekskill, N. Y., has been made manager at St. George, Staten Island, N. Y., succeeding the late Bernhard Feist. Staten Island is Mr. Huttar's home territory. He joined the Metropolitan there in 1925. Two years later he became an assistant manager serving until 1936 when he became a sales instructor for the greater New York districts. Then he was made a supervisor in the field educational division, his success leading to his being appointed manager at Peekskill.

H. G. Kiremidjian, formerly manager at Brooklyn, succeeds Mr. Huttar at Peekskill. A native of Armenia, he is a graduate of Robert College, Constantinople. Shortly after arriving in the United States in 1924 he joined Metropolitan as an agent in New York City. In 1934 he became assistant manager in Long Island City, being named successively agency sales instructor, field training supervisor and manager. Appointment of a successor to Mr. Kiremidjian at Brooklyn will be announced shortly.

Carl Curtis' New Post

Carl Curtis of Ocala, Fla., has taken his new post as general agent of the Kentucky Home Mutual Life. He will have the central Florida section. He is a native of Copper Hill, Tenn. He entered the life insurance business there in 1930, representing the Peninsular Life. Later he became district manager and moved to Ocala, where he has served that company for three years. He resides at 716 East 14th street, Ocala.

Bick, Barnow Named Supervisors

Two agency supervisors have been appointed by C. J. Zimmerman, Chicago general agent Connecticut Mutual Life. They are John C. Bick, who recently became associated with the office, and David H. Barnow, who has been acting supervisor for some weeks. Mr. Bick entered life insurance in 1930 with the Penn Mutual Life. Since 1937 he has been with the Continental Assurance as home office sales supervisor.

Mr. Barnow entered life insurance in 1937 after eight years in the radio field. He was one of the first three men to join the agency after Mr. Zimmerman moved to Chicago. He has been made supervisor for the full-time agency department.

Webb to Columbian National

G. H. Webb, for the last three years supervisor for Equitable Society in Providence, has been appointed general agent there by Columbian National Life. He was graduated from Brown in 1922 and then attended Georgetown University law school. He was a special assistant to the United States attorney-general before entering life insurance.

Cherry Made Carolinas Manager

L. H. Cherry, Jr., who has been manager of the Shenandoah Life in Charlotte, N. C., has been appointed Carolinas manager of the Guardian Life, with headquarters in Charlotte. He

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Black grained leather policy wallets with 7 envelopes inside. \$1 ea. or 75c ea. in doz. lots. De-Luxe quality, leather lined, \$1.75 ea. or \$1.50 ea. in doz. lots. Cash with order unless rated concern. (Cowhide Sales Pac. 1-inch rings, inside zipper pocket, \$3.50.)

KING'S

916 CALHOUN ST.
FORT WAYNE, IND.



succeeds J. E. McCabe who goes to Asheville, N. C.

Leaver Still in Charge

The Mutual Benefit Life has not yet appointed a general agent at Davenport, Ia. to succeed Frank E. Stewart, who was in charge there for 12 years and was appointed general agent of the new agency established at Erie, Pa. Since Mr. Stewart's departure the Davenport office has been in charge of John H. Leaver, field service manager, who is looking after his own work as well as supervising the activities in Davenport.

NEWS BRIEFS

The Northern Life of Canada has appointed J. R. Arnold, Toronto, manager at Vancouver.

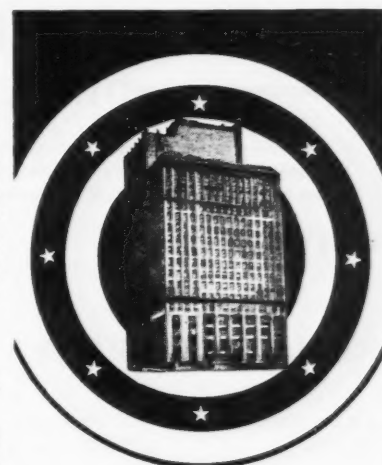
F. T. Bates, manager Acacia Mutual Life at San Antonio, Tex., has resigned to become the manager of the life department of the Catto & Catto agency, San Antonio.

The General American Life has appointed L. W. Alexander district manager at Fayetteville, Tenn.

J. C. Sikes, Savannah, Ga., supervisor Mutual Life of New York, has been transferred to Richmond, Va., as agency organizer for Manager Eldon D. Wilson, succeeding A. L. Jeter, who resigned to become general agent at Richmond for the Massachusetts Protective.

Nebraska Approves Family Policies

LINCOLN, NEB.—The Nebraska department is approving family policies, despite the fact that they are banned in Ohio because they are held to be group insurance and lacking in compliance with the group insurance statutes. Director Smrha says that as the premium charged is the sum of the rates charged each member of the family at attained ages, it does not fall within the definition of group insurance.



General Agency
OPPORTUNITIES
for good personal
producers



IDEAL JOB

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Every day you wait to investigate the General Agency opportunities with this old reliable company you are losing money.

Write today:

FRANCIS L. BROWN, President

ROCKFORD LIFE INSURANCE COMPANY

Rockford, Illinois

LIFE INSURANCE
FOR 90 YEARS

Now... ACCIDENT, HEALTH
AND HOSPITALIZATION

For a well-rounded program of protection backed by the prestige of one of America's oldest life insurance companies



THE UNITED STATES LIFE
INSURANCE COMPANY
IN THE CITY OF NEW YORK
101 FIFTH AVENUE, NEW YORK, N. Y.



PROPERTY MANAGEMENT — DIRECTORY —

* The property management firms whose names are shown on this page have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

ALABAMA

ENGEL REALTY COMPANY

Realtors & Insurers

MANAGEMENT SALES
LEASES APPRAISALS
BIRMINGHAM, ALABAMA

KANSAS

Complete Real Estate Service

• PROPERTY MANAGEMENT
• SALES • RENTALS
• MORTGAGE LOANS

The
**Wheeler Kelly Haggy
Trust Company**
Wichita, Kansas

ARKANSAS

READ-STEVENSON & DICK INC.

Property Management
Sales—Leasing
Mortgage Loans

A. C. Read II R. Redding Stevenson
Charles E. Dick
109 South Main Street
LITTLE ROCK, ARKANSAS

MICHIGAN

EQUITABLE TRUST COMPANY

600 GRISWOLD STREET DETROIT, MICHIGAN

Property Management
Appraisals
Mortgage Loans
Sales

Trusts Estates

FLORIDA

Property Management
Mortgages—Sales
Appraisals

HAUGHTON JR.
COMPANY

106 West Bay St. Jacksonville, Florida

MINNESOTA

DUNN & STRINGER

INCORPORATED

Empire Bank Building
St. Paul, Minnesota

McNeil S. Stringer, Pres.

Mortgage Loans
Real Estate
Property Management

ILLINOIS

Ralph W. Applegate and Co.

SALES AND LEASES
PROPERTY MANAGEMENT
COMPLETE MORTGAGE FINANCING
GENERAL INSURANCE

MEMBER
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Continental Illinois Bank Bldg.
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OHIO

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CORPORATION

Certified Property Managers
Appraisals Sales

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Property Management

Leases Sales Loans
Appraisals—Insurance

W. A. BRENNAN INC.
INDIANAPOLIS

Raymond T. Cragin & Co.

Raymond T. Cragin, M. A. L.

PROPERTY MANAGEMENT
APPRAISALS
LOANS
LEASING

Covering Complete Metropolitan Area
National City Bank Bldg.
CLEVELAND

OKLAHOMA

UNITED SERVICE AND RESEARCH

INCORPORATED

Terminal Building
OKLAHOMA CITY, OKLAHOMA
COMPLETE SERVICE

Appraisals Real Estate
Loans Management

Sales—Leases
BRANCH OFFICES
Metropolitan Bank Bldg. 61 Madison Bldg.
Minneapolis, Minn. Memphis, Tenn.
Buhl Bldg. Detroit, Mich.

COAST

Seattle Men Mighty Hunters

Three Seattle insurance executives, C. H. Leber, president Public Service Life, Health & Accident and of Public Service Underwriters; R. J. Hague, vice-president Public Service Life, and J. A. Hibbard of Public Service Underwriters, in a moose hunting expedition into the Quesnel district of British Columbia, each brought down a giant moose.

They spent three days building a road out of the woods to the highway, after dragging the moose from the swamp with block and tackle, and then took the animals 500 miles to Seattle by automobile trailer. Game wardens in British Columbia said this was the first time one party had obtained three animals and had brought them out whole.

Touring the Far West

C. F. Cross, vice-president Lincoln National Life, is making his annual tour of the western state agencies. He is meeting with the E. H. Small agency in Seattle Oct. 25-26 and from there will go to Portland, Ore., Oct. 28-29 to meet members of the G. B. Schwiager agency.

He began the tour with a visit to the A. K. Underwood agency in Denver and has already met the T. B. Isaacson agency in Salt Lake City and the J. J. Williams agency in Spokane. After leaving Portland he will meet with the Sleeper-Webber agency in San Francisco, the L. K. Newfield agency in Oakland, the W. T. Shepard agency in Los Angeles and the P. W. Aurell agency in Phoenix.

Training School in Los Angeles

Penn Mutual Life agents in the Fred M. McMillan agency in Los Angeles and Ralph Randolph agency in San Diego attended a training school held in Los Angeles by E. Paul Huttinger, agency secretary, assisted by M. A. Hopkins, Jr., and Clarence Cooper, from the home office. General Agent F. J. Curry of San Francisco was a guest.

Whittier Agent Honored

Honoring E. H. Perry of Whittier, Cal., an associate in the James H. Cowles agency of the Provident Mutual Life in Los Angeles, who has more outstanding life business in force than any other Provident Mutual agent on the Pacific coast, the agency held its monthly meeting in Whittier.

Assemblyman Kepple of the Whittier district talked of conditions in California as seen by the legislators. Dr. W. O. Mendenhall, president of Whittier College, spoke on "Democracy on Trial."

Travelers Officials Honored

H. H. Armstrong, vice-president, and Milton F. Jones, assistant supervisor agency field service of Travelers, who arrived in San Francisco Wednesday, are to be guests at a luncheon Friday.

Great-West Officials on Tour

A group of executives of the Great-West Life are conducting a continental-wide tour of U. S. and Canadian agencies. The party includes H. A. H. Baker, Winnipeg, assistant general manager and superintendent of agencies; L. A. Cameron, assistant actuary; D. E. Kil-

gour, inspector of agencies; and W. A. Johnston, field service department.

Visits will be made at Canadian and United States agencies of the company from the Atlantic to the Pacific.

The group visited the Maritime offices recently, and in a statement in St. John, N. B., Mr. Baker said he saw indications that business generally in Canada is definitely going ahead after the natural slowing down following the declaration of war.

"I feel," he said, "there is a definite trend in the right direction now, and the signs of increased business have been especially marked in the last two months from the standpoint of insurance and its relations to industry and other business fields."

No Tax on Pay to Conscripts

Payments made by employers to men in training under the selective service and training act, to supplement their military pay, are not considered as wages under the Illinois unemployment compensation act, the state director of labor holds.

Title Insurance Companies

* The title insurance firms whose cards are shown on this page have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

COLORADO

THE TITLE GUARANTY COMPANY

W. Elliott Houston, Pres. Aksel Nielsen, Exec. V. P.
"Home of Landon Abstracts"

Titles insured thruout Colorado.
Escrow Service—Loans—
Abstracts

1500 Court Place—Denver

MISSOURI

Title Insurance Corporation of St. Louis

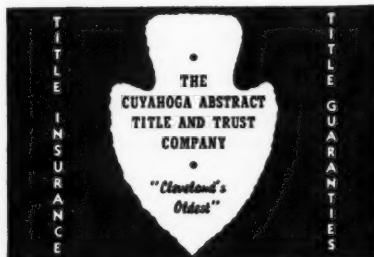
810 Chestnut Street

McCune Gill, Vice President

Qualified with Insurance Departments
of Missouri and Eastern States

Disburses construction funds and insures against Mechanic Liens

OHIO



OKLAHOMA

DARNELL-ZUENDT CO.

Realtors and Insurers

REAL ESTATE
MANAGEMENT
SALES — LOANS
APPRAISALS

Member of Institute of
Property Management
Beacon Bldg., Tulsa, Okla.

AMERICAN FIRST TRUST CO.

First National Bldg.

Oklahoma City, Okla.

STATE-WIDE TITLE INSURANCE

Under Supervision of State Bank
Commissioner

LEGAL RESERVE FRATERALS

Standard Life Celebrates Its 50th Anniversary

Standard Life of Lawrence, Kan. has published a fine brochure commemorating its 50 years in business and presenting the likenesses of a number of its officers and a brief history of the organization. The cover is in patriotic tone with the national colors and stars. George R. Allen is president, his son, Richard F. Allen, being director and general counsel.

Standard Life was organized as a voluntary association Oct. 14, 1890, as the Fraternal Aid Association. Its name was changed in 1913 to Fraternal Aid Union, and in 1933 to the present title. The society was organized by the late T. J. Sweeney, national treasurer from 1907 to 1936 when a Minnesota society that had done some business in Kansas failed to meet its claims. Mr. Sweeney undertook an investigation and issued a call to the Kansas lodges to meet in Lawrence. Those who gathered decided to organize a medium of providing sound protection which included not only death but accident and disability benefits and an endowment payable at age 70. Rates, however, were wholly inadequate and the disparity later was properly adjusted so now the society is on a sound legal reserve basis.

President Allen has held the office since 1928. The first president was W. T. Walker, 1890-1897; next was Dr. L. D. Ryder, 1897-1901, then successively H. E. Don Carlos, 1901-1914; V. A. Young, 1914-1924, and J. N. Dolley, 1924-1928.

Mixup Over Orr's Insurance

DETROIT—Gleaner Life has asked the courts to decide to whom to pay a \$10,000 policy on the life of its former president, H. T. Orr, Caro, Mich., who with his wife Helen was killed in an automobile accident in 1939 while en route to Detroit. The original beneficiary was Mrs. Katie Orr, the insured's mother. Later he notified the company he wished to make his wife the beneficiary, but the change was never endorsed on the policy. Now Mrs. Katie Orr, the estate of Mrs. Helen Orr, Mrs. Orr's mother, Mrs. Mamie A. Bingham and G. T. Orr, a son, all seek the proceeds.

Mrs. Underwood Tennessee Head

Mrs. Sarah J. Underwood, Memphis, Ben Hur Life, was elected president of Tennessee Fraternal Congress at the annual meeting in Nashville. She will take office Jan. 1. N. C. Wiley, Lewisburg, state manager Maccabees, was named vice-president. Mrs. Pearl I. Rhoads, district manager Modern Woodmen, was reelected secretary-treasurer. The 1941 meeting will be held in Lewisburg.

Murphree Named in Texas

The Security Benefit has appointed M. M. Murphree, formerly with the Guardian Life and American National in Texas, as district manager for Houston and Harris county. He succeeds the late L. M. White, who conducted the business for 35 years.

FIC Honors Are Awarded

Eight more fraternal society field representatives have been awarded the FIC (Fraternal Insurance Counselor) degree by the Fraternal Field Managers Association upon passing the required examinations. They are: Aid Association for Lutherans, H. C. Vogel, G. R. Wollerman, E. H. Kroeger, Victor Zarembo and H. J. Rauh; A. O. U. W. of North Dakota, T. F. Lee, and Maccabees, Ella Meade Palmer.

Royal Neighbors Camps Meet

EAST ST. LOUIS—Royal Neighbors camps from Monroe and St. Clair

Procedure to Secure U. S. Act Exemption Explained

One of the larger societies has just secured exemption from the unemployment compensation tax for its field workers under section 101, sub-section 3, of the U. S. social security act, relating to non-profit fraternal orders. Many other societies are taking the necessary steps to qualify for exemption under the act.

As explained by an attorney for the society referred to, it is necessary for each fraternal society to make its own proof, there being no blanket exemption or assumption in the act of the right of a specific society to be exempted. It is necessary first to secure exemption under sub-section 3 from paying an income tax for unemployment compensation benefits. The attorney states the society must write to the Treasury Department for a ruling under the recent amendments to the act providing exemption for societies' employees if they receive a salary or wage of less than \$45 quarterly, or if they act solely in ritualistic work, or if they act outside of the home office as a collection agency to receive insurance premiums and remit to the home office.

The attorney said that it is necessary to submit four copies of this request for exemption, including copies of charter and by-laws and lists of all subordinates, their addresses and duties, whom the societies hold should be exempted.

Good Work Is Done by H. W. Hughes in Nebraska

A good example of what can be accomplished if a man has the ability, courage, resourcefulness and vision these days is shown by the record of the New York Life in Nebraska in the territory presided over by H. W. Hughes of Omaha, agency director. He covers almost all the state. He was formerly an agent and made a good record as a producer. When there was a vacancy as agency director he felt sure that he could fill the bill. Despite the fact that Nebraska has suffered a drought for the last few years and there has been in consequence a depression in the rural sections, Mr. Hughes this year shows an increase in business of 50 percent, which is a remarkable record. He has the faculty of inspiring those with whom he comes in contact and the agents go out as crusaders. He stays in a place long enough to get his agent or agents thoroughly aroused. He does not acknowledge defeat anywhere.

Sales Engineer Speaks in Dallas

Paul P. Parker, sales engineer, addressed the Life Managers Club of Dallas on "Strategy of Handling People." President R. B. Shields, Great National Life, will report at the November meeting on the managers and general agents session in Philadelphia.

counties, Illinois, held their annual convention here, Mrs. Irma Robbins of this city, district deputy, presiding. Mayor Connors gave a welcome.

PERTINENT FACTS— SUPREME FOREST WOODMEN CIRCLE

Gross Assets	\$ 33,716,675.00
Protection in force	106,831,483.00
Total Membership	134,166
Organized into	2,678 groves in 44 states
Benefits paid in 1939 to members and beneficiaries	\$1,767,420.41
Dora Alexander Talley, National President	
Mamie E. Long, National Secretary	
Home Office, Omaha, Nebraska	

*We Are Proud
To Announce*

OUR 50th ANNIVERSARY

October 14, 1940

IT TAKES THE BEST
TO STAND THE TEST

For 50 Years

Standard **LIFE** Association
Lawrence Kansas

Our Men



SUCCEED because they represent a successful institution. Our men don't have to sell their clients on the safety and reliability of The Maccabees. Our records of 60 years of service, quarter of a million members and 250 million dollars in benefits paid, do that. Their only job is one of diagnosing the needs of their clients and writing the insurance necessary.

If you want a position where your success is limited only by your ability, and you can meet our requirements, write us. We may have a place for you.

The Maccabees
Detroit, Michigan

New Moves May Affect Estate Taxes

(CONTINUED FROM PAGE 1)

early clarification of the taxable status where there is a reversionary provision would be very beneficial in curbing this replacement, according to Mr. Morton. These replacements, of course, would usually be unprofitable for the insured if only the value of the reversionary interest is to be taxed.

"While it is quite apparent that the

We're "Little, but Oh My!"

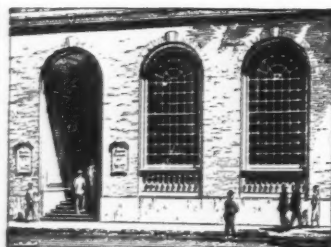
We try to have our agents improve their incomes by doing more business.

One of 'em has helped a lot by working out a practical plan of time control. It upped his per hour, when soliciting, from \$6 something to nearly 3 times that figure. Sure, he's a C. L. U.

And he has quite a flock of students of his methods in our family.

Guardian Life
Insurance Company

Home Office at Madison, Wisconsin



The Boston Mutual LIFE INSURANCE CO.

is an old New England company of high character and standing. It is known for its conservative management and strength. It has just completed its fortieth year as a legal reserve company.

JAY R. BENTON, President
EDWARD C. MANSFIELD,
Secretary-Treasurer

HOME OFFICE
Boston, Mass.

PURE PROTECTION LOW COST LIFE INSURANCE

Ordinary, Whole Life Policy Without
Investment Features
Life Insurance In Itself Is Inexpensive
ESTIMATED AVERAGE ANNUAL COST
AGE 40 ... \$16.40
PER \$1,000.00
25 Years of Dependable Service to Policyholders

**Interstate Reserve
Life Insurance Company**
Ten East Pearson Street, Chicago

final word in regard to the valuation of reversionary interests has not yet been spoken, nevertheless, many policyholders would doubtless prefer to postpone the replacement of their policies, at least for the time being, if they were fully aware of this situation," Mr. Morton said.

In addition to the dismissal of the Bailey and Keefe cases on a compromise basis, the Treasury Department has recently amended article 17 of the federal estate tax regulations which Mr. Morton points out indicates an acceptance of the principle that only the value of a reversionary interest itself is subject to tax. Article 17 deals with transfers conditioned upon survivorship. The article as amended reads, in part, as follows:

"... upon a transfer by a decedent of property in which an estate for life is given to one and estate in remainder to another, but with a provision added that the estate in remainder shall revert in the decedent should he survive the owner of the life estate, there is to be included, in determining the value of the decedent's gross estate following his death, the value as of the date of his death of the estate in remainder, if the life estate is then outstanding. The value of the outstanding life estate is not to be included in determining the value of the gross estate, unless that estate had been transferred in contemplation of the decedent's death, or otherwise as to render it a part of the gross estate. . . ."

Could Apply to Insurance

Mr. Morton points out that while this amended regulation applies to transfers in trust, nevertheless, if the same principle were applied to an assigned life insurance policy, the value of the possibility of a reverter might in many cases be an insignificant amount when compared to the face value of the insurance, for example, in a case where the policy were assigned to the insured's wife and in the event of her death to four children, with reversion to the insured after all of the beneficiaries predeceased him.

Just how such value would be computed is a matter for conjecture, but Mr. Morton points out that if the insured did survive all of the beneficiaries and the policy should revert to him, he would not at that time receive a policy with a value equal to the face amount of the contract, but a policy with a cash value of a smaller amount. It is quite logical to assume, therefore, that in valuing the possibility of a reverter in the case of a life insurance policy the cash value should be used rather than the face value. This, however, is a problem for further consideration.

Cold Check Artist in W. Va.

A cold check artist has been passing some skilfully designed checks in Charleston, W. Va., and vicinity in recent weeks. He has gone to the trouble of printing checks of "The American Mutual Health & Accident Insurance Company, Eugene R. Bradshaw, President." The bank that is named on the check is "The Minnesota National Bank," but there is no city identification

of the bank. The instrument is in the form of a check in payment of claim and there is a release of liability statement in connection with the endorsement. One particular check that was sent to THE NATIONAL UNDERWRITER was payable to "John R. Chapman" in the amount of \$20 and was signed by "Kenneth L. Anderson, Treasurer." It was dated "Minneapolis, Aug. 11, 1940."

Insurance Men to Hear Green

Dwight H. Green, Republican candidate for governor of Illinois, will speak on "Vital Insurance Problems" at a special luncheon meeting of insurance people at noon Oct. 29, under the auspices of the Republican Insurance Committee. The meeting will be held in the Hotel Sherman, Chicago, where space is limited to 400 persons. Reservations

may be made with the committee's headquarters, room 1516 Insurance Exchange, Chicago, telephone number Harrison 0470-1.

New Richmond Offices

The Virginia department of the State Farm companies of Bloomington, Ill., has moved into new and larger quarters in the Broad-Grace-Arcade building, Richmond. An open house was held. H. E. Baumberger is director of Virginia operations. State Farm Mutual Automobile has been operating in Virginia 10 years and now claims to have 37,000 policies in the state. A large electric sign has been placed on the corner of the building just outside the State Farm offices.

The case study "24 Men in 24 Years" provides convincing sales material. 8 booklets \$1. National Underwriter.

Aggressively Developing State of Illinois Offering Unusual Agency Opportunities

Liberal First Year Commission and Non-forfeitable
Renewal Commissions

Assistance in the Field

Home Office Co-operation

GLOBE LIFE INSURANCE CO. OF ILLINOIS

WM. J. ALEXANDER, President

An Old Line Legal Reserve Company—Established 1895
45 Years of Continuous Faithful Service
to Policyholders

Writing Complete Line of Modern Policies with
All Standard Provisions
Ages (0-60)

Double Indemnity — Disability — Non-Medical
Modern Juvenile Contracts Full Benefits Age 5

WRITE US TODAY FOR PARTICULARS

431 South Dearborn Street

Chicago, Illinois

LIFE

SELL THEM WHAT
THEY WANT
ACCIDENT
HEALTH

Sell the public
what it wants—

complete personal protection. You can
build a good volume with the Federal

Life and Casualty's accident—health—life protection for both men
and women and juvenile life for children. Territory open in 30 states.

FEDERAL LIFE AND CASUALTY CO.
DETROIT - - - MICHIGAN



A BOUNTIFUL HARVEST

is assured the able and industrious salesman who has a
DIRECT home office contract... Increased earnings
should be the immediate result.

Write J. DeWitt Mills, Vice Pres., for agency information. Desirable
territory available in Mo., Ark., Okla., Texas, Wyo., and Utah.

CENTRAL STATES LIFE INSURANCE CO.

St. Louis, Mo.

Alfred Fairbank, Pres.

Sales Ideas and Suggestions

Behr Proves One-Man Board of Experts in Quiz Session

NEW YORK—Though reserving the right to "look the other way or call a 5-minute recess" in case the questions got too tough, Louis Behr, Equitable Society, Chicago, gave frank, illuminating and useful answers to the numerous queries thrown at him in the New York City Life Underwriters Association's fall sales seminar. While much of the material in Mr. Behr's prepared talk covered the same ground as other addresses he has made and his book, "My Programming System," published by The Diamond Life Bulletins, the question and answer period, which covered the major part of the session, brought out many new angles to the methods which have made him an outstandingly successful million dollar producer.

Mr. Behr was the sole seminar speaker and can take full credit for drawing an audience of more than 700. The October dinner meeting, which followed the seminar, was addressed by F. E. Mason, National Broadcasting Company vice-president. Mr. Mason, a veteran of more than 25 years' experience in journalism and foreign affairs, dealt mainly with world events but took occasion to remind his audience of the vital importance of the life insurance business's doing a good public relations job. He said that Raymond Moley did not receive a single letter from a life insurance man on his "Saturday Evening Post" article on the TNEC investigation of life insurance. Mr. Mason interpreted this as indicating lack of appreciation of the importance of public relations.

Lloyd Patterson Presides

Lloyd Patterson, general agent Massachusetts Mutual, presided. It was the first meeting since his election as president at the annual meeting in June.

Mr. Behr's audience was much interested in his method of getting prospects from centers of influence; for example, Mr. Behr gets from Mr. Smith, a center of influence, the name of Mr. Jones, a prospect. Mr. Behr also asks Mr. Smith for names of men whom Mr. Jones knows well. Usually Mr. Jones knows these men better than Mr. Smith does. Then, after Mr. Behr has interviewed Mr. Jones and either sold him or given him such service that he is deeply appreciative, he asks Mr. Jones if he knows Mr. Bradley. Of course Mr. Jones says yes. Mr. Behr says that he is about to call on Mr. Bradley and would Mr. Jones mind having his name used as endorsing Mr. Behr's type of service. This request never fails to produce the desired answer, Mr. Behr said.

Mr. Behr explained that when he goes to see Mr. Bradley he usually has very little difficulty getting past the secretary because she usually recognizes Mr. Jones' name and knows that he is one of her boss's important contacts.

How to Elude Secretaries

The first query in the question and answer period was on what Mr. Behr tells the secretary who continues quizzing him on the purpose of his call. He said that from experience he found that only in one out of 10 cases does the secretary insist on being told. When this happens he says to her, "I'd like to show you what I intend to tell Mr. Bradley. I know that he sees a lot of life insurance men but I have a recommendation from a close friend."

If that fails to work, then he goes ahead and actually explains what the presentation is all about. If she is a confidential secretary she probably

knows a lot about her boss's life insurance affairs and can appreciate the advantage of having the information all set out in a simple way. Mr. Behr said that he gets past the secretary about 50 percent of the time in the one out of 10 situations where she doggedly demands to know the purpose of his call.

How to Get the Policies

"When do you ask for the policies?" was another question. Mr. Behr explained that he does not make a direct request but says, after getting the information for his charts, "When can I pick up your policies?" or, "I assume you have your policies in your desk." If the policies are in the man's safe deposit box this is bad, as it gives him time to cool off. If it is necessary to make a special call to pick up the policies, Mr. Behr sends his secretary, since he does not wish to see the prospect again until he has performed a definite service for him.

However, if the prospect balks at giving the policies to the secretary—usually the result of having talked it over with his wife—Mr. Behr says to him on the phone, "I want another five minutes of your time and then I won't come back unless you ask me to." Then he goes back and carefully explains what the proposed program will do and endeavors to work the prospect up to the same pitch of enthusiasm as at the conclusion of the first interview.

Like Selling a New Car

"It's like a man buying a new car," said Mr. Behr. "He gets behind the wheel, drives the new car, sees how much easier it handles than his old one, how much power it has, how comfortable the cushions are. Then he gets home and talks with his wife. She needs this and she needs that before she needs a new car. So he has to be stimulated all over again after he gets through talking with his wife. Showing him my chart all over again and explaining it to him is the same thing."

Asked the amount of his average case, Mr. Behr said it might vary widely from one year to another but over the long run it is from \$10,000 to \$15,000. He makes up and submits an average of two and one-half to three presentations a week. Having been in the life insurance business 11 years he can eliminate the fact-finding interview for many prospects, since he already has the data on them in his files from having talked with or sold them earlier.

Sells Programs Gradually

One inquirer wanted to know to what extent Mr. Behr determined the spread between his prospects' incomes and expenses to determine their ability to pay for more life insurance. Mr. Behr said he usually did not worry about this, since his sales were usually not on a complete program basis. He explained that there are two methods of selling programs, one being to try to sell enough to cover all or practically all the indicated needs, the other being to sell \$10,000 to the man this year and a like amount next year or later on. Mr. Behr's method is the latter. He said that the first method will often sell more on the first sale, but the second method produces more business in the long run.

One questioner asked, "Do you restate the prospect's objection or do you try to sidetrack him?" Mr. Behr said the proper move depends on the individual. Sometimes a prospect will "arch his

back" and then buy. Others have to be pushed. The proper technique also depends on the salesman's personality, he said.

"How much money the salesman has in the bank also makes a lot of difference how courageous he is going to be in the interview," he said. Some agents can take a hard boiled attitude and tell the prospect, "I want the information and I want it complete or I am not going to go to work for you," Mr. Behr said, but added that he himself could not get away with this type of talk.

"What do you do when you run into another program prepared by some other agent?" somebody asked. Mr. Behr's answer is to ask the prospect if he knows how much life income his present life insurance provides. Ordinarily the prospect doesn't know and can't find it in the elaborate program that the previous agent prepared. Then Mr. Behr asks, "Can you find the amount in mine?" Of course he can do this readily since he was shown it five minutes before. He also asks the prospect how often he has looked at the other program, the usual answer being that he has never looked at it since it was given to him.

"I know he'll do the same with mine, but I show him the advantage of it, how simple it is, all on one sheet," said Mr. Behr.

Engelsman Asks One

R. G. Engelsman, general agent Penn Mutual, asked the most comprehensive question, requesting Mr. Behr to outline his complete working day.

"My manager, Sam Lustgarten, is in the audience so I've got to tell the truth," Mr. Behr remarked. He explained that his method is based on keeping busy in a systematic way rather than attempting to meet any set quotas. He divides his time roughly one-quarter for service, one-quarter or less for work in the office and the balance of the time in the field with prospects or centers of influence or with a prospect's attorney or accountant. He rarely has a sales interview during the lunch hour, using this time for meeting his friends or in organization work. At the same time some of his best prospects come from these luncheon engagements.

Mr. Behr said he doubted if he had made an evening or Sunday call in the last three years. He takes a vacation in the summer and another in the winter.

Has "Track to Run On"

"All I do is work as hard as I can from 9 to 5," he said. He delegates a great deal of detail work to his two secretaries. He is able to do this because he has developed what he calls a track to run on. By using charts he is able to spot errors quickly.

Asked if he ever went ahead and prepared a program for a prospect who would not give him his policies, Mr. Behr said he does not do this because he has enough prospects so it is not necessary, although he did do so earlier in his career when prospects were not so numerous.

As to his treatment of social security, Mr. Behr said that he includes it in every program where the prospect is under social security.

"How do you handle the subject of cost and how do you illustrate it?" was another question. Mr. Behr said that he had not drawn up a cost illustration for years, his method being just to indicate what the insurance will do for the man and his family.

Explaining why he does not ask for a check with the application, Mr. Behr conceded his questioner's point that lack of a prepayment makes it necessary to resell the case on delivering the policies in many cases, yet he said reselling is

always necessary anyway and sometimes the prepayment makes the prospect feel that he has been trapped, while lack of it may make him feel relaxed and therefore more open to persuasion. He gets about only 10 percent of his business on a binding receipt basis. He asks for the check on delivering the policy by the simple expedient of saying, "I'd like your check."

Asked if he telephones for the first interview appointment, Mr. Behr said that while others seemed to be successful with this method, he found himself unable to use it, as he felt lost if the prospect said no to him on the phone.

Doesn't Use Social Leads

"How do you call on people you meet socially?" one questioner asked.

"I hate to meet a man socially whom I would like to do business with," Mr. Behr replied. "I don't like to use this method. I have got enough prospects so I don't have to use it. If I didn't have them I would have to work out some tactful manner of approaching them or else be satisfied with a lower income." He said, however, that a number of his prospects and clients have developed into friends.

In answer to another question Mr. Behr said that if the center of influence refuses to allow his name to be used he does not call upon the prospect since if the prospect is really worth while it is always possible to find somebody else who will let his name be used.

In answer to another question Mr. Behr said that few of his business insurance sales are made initially on a business approach, being nearly always preceded by a solicitation or sale for personal insurance. His business insurance sales result from the confidence engendered by his personal programming jobs.

Hamburger Tells How Agent Can Increase His Earnings

CINCINNATI—In a powerfully motivating address on "Increasing Your Earnings," R. M. Hamburger, general agent for Northwestern Mutual at Minneapolis, told the Cincinnati Life Under-



R. M. HAMBURGER

writers Association that the common denominator in successful selling is a burning desire to succeed, spurred on by ambition and a definite objective. Attainment of success, Mr. Hamburger declared, requires self confidence, courage and dogged determination. Mr. Hamburger said that when he was a child, an incident occurred which has stuck in his mind. While walking with an uncle

in Cincinnati, a fire alarm sounded. Shortly they encountered a youngster running. The uncle stopped the young man and asked him where he was running. "To the fire," he replied. The uncle asked where the fire was and the young fellow replied: "Darned if I know where the fire is."

Mr. Hamburger said that he was impressed by the application of that incident to life insurance selling. So many agents are running about without knowing where the fire is. He said that when he was appointed general agent in 1918 he decided that the quota system would be a means of indicating where the "fire" was. The success of this idea is shown by the fact that 18 out of the 25 men in his agency produced at least \$500,000 and three are life members of the Million Dollar Round Table. A poll at the meeting of the round table in Philadelphia, he said, showed that 84 out of the 112 members were using some sort of a quota system. At the beginning of each year, Mr. Hamburger takes his men one by one into his office and works out an annual budget with them. Commission units for the past three years are used to determine the production required to carry out the budget desired. If the man has been with the agency less than three years, a figure is made up. Mr. Hamburger said that the quota idea is burned into the minds of his men. This idea is also brought to their attention through the production and lives clubs of the company.

Making Lazy Man Energetic

It is possible, he said, to make a lazy man energetic; when a man is made to like to do the things he now dislikes, he becomes energetic. Mr. Hamburger said that the average agent naturally dislikes to see people and if he once learns the art of prospecting, he has learned the art of selling. Success, he said, comes from the will to do things; possession of the will power to carry one's self through to a successful predetermined conclusion.

A successful man, Mr. Hamburger said, takes a vision and himself into the world and sells both. Sales leaders, he said, visualize the possibilities of life insurance for the buyer and themselves.

To get into the higher brackets an agent must have the qualifications, methods, definite plans, a constant desire to acquire knowledge, a desire to be actively cooperative, a sense of loyalty and responsibility to the business, company, general agent and associates, the ability to think, vision, imagination, and the ability to dramatize the vision, a friendly feeling toward people, a deep appreciation of values, and all of these are of no avail unless he possesses a burning desire to succeed, spurred on by a definite objective.

Mr. Hamburger said that in his agency there is a large mirror over which hangs the following: "Seek not an alibi, look in here and see the reason why."

J. C. Benson, Union Central, chairman of the program committee, announced that the next speaker would be D. R. Mason, general agent Aetna Life, Syracuse, N. Y., Nov. 14. Mr. Hamburger was introduced by W. J. Mack, Cincinnati general agent Northwestern Mutual Life. V. G. Martin, new assistant superintendent of the Ohio department, was introduced and spoke briefly.

Personal Preparedness Is Urged at Pittsburgh Parley

PITTSBURGH—Personal preparedness was urged by D. W. Hooton, assistant general agent State Mutual, in opening the Pittsburgh Life Underwriters Association's annual sales congress of which he was general chairman. There were about 450 in attendance.

"There is no better means of personal defense than life insurance," Mr. Hooton declared. "The family and the individual is subject to invasion by death, old age, emergencies and depressions. Yet combatting each one of these

more effectively than anything I know is life insurance."

John C. Sheedy, Reliance Life educational director, presided at the morning session and Steacy E. Webster, general agent Provident Mutual, in the afternoon.

Must Raise Prestige

"The life insurance salesman meets a greater degree of sales resistance than he should," H. T. Wright, Equitable Society, Chicago, president National association said. "If the agent's prestige were greater naturally there would be less sales resistance. How can the prestige of the agent be increased?" The elimination of unproductive and unfit agents is one answer to this problem, Mr. Wright pointed out.

In viewing the threat of government intervention into life insurance, Mr. Wright declared that "when government officials compete with private business they are stepping out of jobs they are paid for and taking over the jobs of somebody else."

More attention to the mass market was urged by John D. Moynahan, manager Metropolitan Life's Chicago west suburban agency. Only 10 percent of the population is able to buy life insurance in amounts of \$5,000 or greater and this 10 percent is being solicited by 75 percent of the agents, he declared.

"If we take out of the picture 10 percent who are overserved and eliminate the 15 percent dependent wholly or in part on public funds, the best prospects are the 75 percent who are wage earners," he declared.

Must Sell Idea

"Eighty percent of the sale is the ability to sell a man upon the idea that you have something to offer of monetary value and getting him to agree that he will have a free discussion with you about his problem," C. E. Petillon, Berkshire Life, Pittsburgh, pointed out. The agent should observe these fundamental principles: 1. Never argue. 2. Never discuss life insurance, always discuss life. 4. Let the prospect have his own way about minor problems, but insist on getting agreement on the major points. 5. Guide the course of the interview.

The first law of selling is to make the prospect realize that the insurance that he now owns is inadequate, C. Vivian Anderson, Provident Mutual, Cincinnati, stated.

R. M. Stevenson, National Life of Vermont, president Pittsburgh C.L.U. chapter conferred C.L.U. designations.

People Interested in Their Problems and Ambitions

DALLAS—"People are not interested in life insurance as such but they are interested in themselves. So you've got to see people about their problems, their ambitions, desires, love of home and the like," F. H. Haviland, vice-president Connecticut General Life, declared before the Dallas Association of Life Underwriters.

"The function of the life underwriter is to furnish guidance to the happy way of living," Mr. Haviland said.

While there are too many life insurance agents, there are too few of serious purpose who believe sincerely in the product they sell, Mr. Haviland said.

The life insurance man of tomorrow has got a big job on his hands. He will live on a budget, will pay his bills on the first of the month and will have a life insurance estate designed to do a minimum job so that he sells from the heart, Mr. Haviland continued.

Eighty members of the Dallas association participated in a survey which showed they own a total of \$1,786,600 life insurance or an average of \$22,332 per member.

President E. B. Raub, Vice-president A. L. Porteus and Director of Agencies A. H. Kahler are visiting the Texas agencies of the Indianapolis Life.

Industrial Survey Misinterpreted

(CONTINUED FROM PAGE 3)

emphasis on life insurance. Too much? Well, the survey shows that the average insurance per insured person was only \$683—and that the average family spent only 4.9 percent of its income for life insurance. Assuredly those figures are not high. They should be higher to assure America an even greater degree of family, and hence national, security.

"The SEC report intimated that it was wrong for families on relief to have this insurance and pay these premiums. What about it? On careful thought, certainly the SEC would not suggest that those on relief should be forced to drop basic insurance protection. These policyholders are struggling to come back. The more thrifty ones are holding on to their insurance, often at great sacrifice, so that they will have it when they do come back. Should they drop it, they might never again be insurable. Furthermore it would be sound public policy to see that all on relief do continue their insurance so that, when death does occur, the state will not be given an additional burden.

"The SEC report also claimed that industrial insurance costs are too high for these people who can least afford it. The survey tells us that 63 percent of the families could not pay for their insurance other than on a weekly basis. Most of these people could not have insurance if it were not for the weekly premium plan. Now, if anyone can invent a system to make 52 calls a year to collect the premium, without this extra charge for service, that person will achieve fame. An investigation some years ago by an important state official showed that the extra charge for like protection is about 15 percent. That is a small charge for so great a service."

Havens Is Elected Head of Pacific Actuaries

(CONTINUED FROM PAGE 3)

brought out the present tendencies and trends, pointing out that at present the nation is far from adequately insured, presenting charts to show which is actually paid in death claims as compared with what should be the death claim benefit, based upon the national income. Participating in discussion were: William Breiby, vice-president Pacific Mutual; R. B. Richardson, president Western Life; R. C. Burton, secretary New World Life, and Marcus Gunn, vice-president and actuary California-Western States Life.

A formal paper was presented by Cecil F. Ede, assistant actuary West Coast Life, on "Hollerith Equipment as Applied to Premium Accounting and Valuation."

Other subjects discussed were: "Assembly of Company Statement Data" by

A. W. Lewis, actuarial analyst Pacific Mutual, with discussion by E. V. Hoff, statistician Occidental Life; O. A. Ehrenclou, actuary and assistant secretary Northern Life, and Floyd Young, actuary Western Life; "The Latest in Taxation Changes" by L. J. Cooper, associate actuary Pacific Mutual, with discussion by R. C. Burton, O. J. Meyers, assistant secretary Occidental Life; Charles Mehlman, vice-president and actuary Colorado Life, and C. H. Tookey, associate actuary Occidental Life.

A high point in the sessions was the paper on "Interest Rates and Related Matters" by R. R. Brown, vice-president and actuary Oregon Mutual. He told of the recent seminar conducted by the Financial Section of the American Life Convention, relating considerable of the matter presented. He told of the working of the federal reserve banking system, the effect of credit balances, etc. going exhaustively into the various ramifications of his subject.

B. N. Coates, president, presided at the banquet and Mr. Havens, as chairman of the program committee, presided at the business sessions.

Standard Provisions for Group Disability Forms

SAN FRANCISCO—Representatives of the various accident and health groups met Monday with Harold Haas, administrative assistant of the division of insurance, as chairman of the committee appointed by Commissioner Caminetti last December, to go into the matter of standard provisions for group disability. Out of the many suggestions, proposed standard provisions were finally framed and these were presented for discussion.

The group disability committee and others interested adopted provisions with minor changes. Among those present, additional to the committee, were Henry Reichgott, Equitable Society, representing the accident and health section of the Group Association and H. R. Gordon, Health & Accident Conference.

Caminetti will issue an order shortly covering the effective date of the provisions on new submissions. Undoubtedly on forms already provided companies will be given a period to change their forms.

A. B. Hill May Be Next Arkansas Commissioner

The possibility is being mentioned in insurance circles in Arkansas that Arthur B. Hill, special agent of Union Central Life, may be appointed as insurance commissioner of that state when Homer M. Adkins, Democratic nominee, becomes governor. Mr. Hill was one of Adkins' campaign managers. He is the immediate past president of the Little Rock Life Underwriters Association. Before entering the life insurance business, he served as principal of the Little Rock High School, state superintendent of education and president of Ouachita College.

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This humanized 1940 Annual Statement portrays through graphs and pictures and in non-technical language the growth and financial position of The Equitable. It also explains the level premium plan; the effect of interest rates on insurance costs; the allocation of the premium dollar, and how invested assets work for the policyholder.

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An amortized loan service for Home Purchasers providing readily obtainable funds on convenient repayment plans safeguarded by life insurance. Thousands of families are today enjoying the security of a free and clear home through the Equitable's "insured" mortgage repayment plan.

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A basic manual for extending life insurance to corporations, partnerships and sole proprietorships, with special reference to the advantages of the Equitable's Owner form of policy.

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- Group Life Insurance
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A Salary Savings Insurance Plan for Employees, with detailed sales presentations and installation suggestions. An invaluable aid for use with Employers and Employees.

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Newly appointed agents receive instruction in the elementary principles of life insurance, in the use of policy contracts, and in sound sales procedure, as a preliminary to training in the more advanced programing systems.

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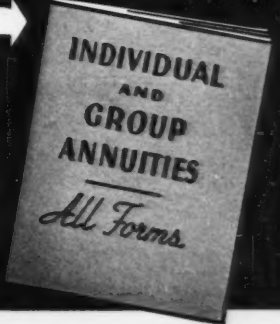
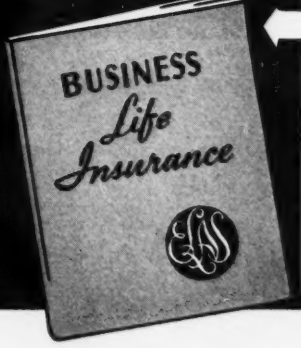
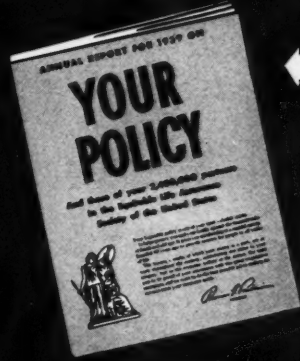
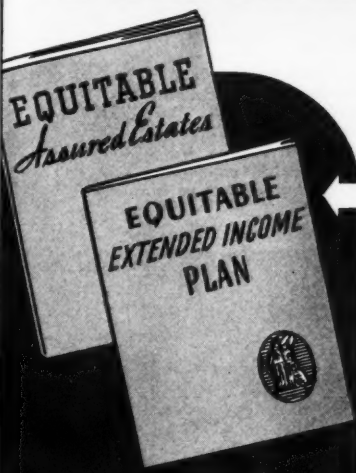
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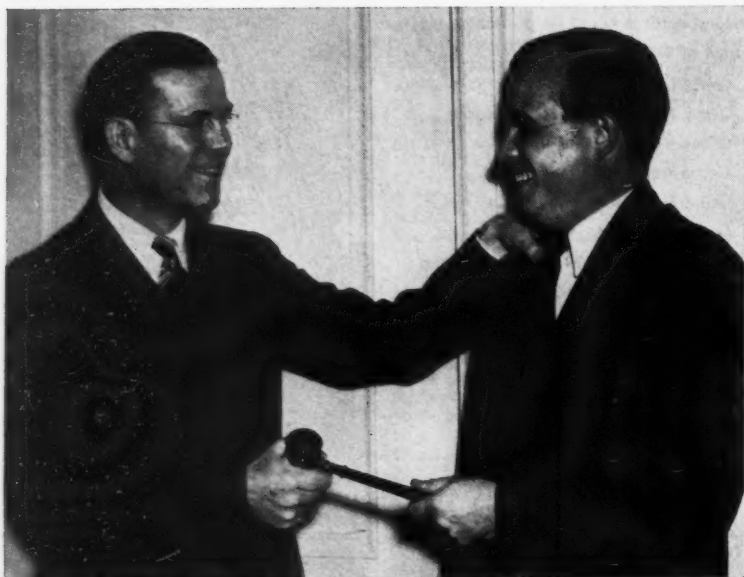




Here is an air view of the home office of the Connecticut Mutual Life, showing the new 70,000 square foot wing in the process of construction (extreme right). The new structure was started last spring. The addition gives the Connecticut Mutual about 40 percent additional working space, necessary because of the company's growth in recent years.

BELOW:

Among the Sun Life of Canada representatives at the Philadelphia N.A.L.U. convention: L. V. Drury, Philadelphia manager; R. H. Finger, superintendent of agencies, Eastern U. S.; W. S. Penny, director of agencies; and Seth C. H. Taylor, superintendent of agencies, Western U. S.



Karl Ljung (left) of the Jefferson Standard Life, retiring president Life Advertisers Association, passes the traditional symbol of office to C. Sumner Davis, Provident Mutual, who was elected president of the association at its annual convention.



RIGHT: "Loveliest Girls in the World"

That's what the Des Moines "Register-Tribune" captioned this picture, which was reproduced recently. Said the accompanying article: "Most impressive to many a newcomer to the city are the lovely girls who work in Des Moines offices. This picture was taken at noon as employees of the Bankers Life briskly stepped forth for a sandwich."



Group at recent gathering at Columbia, S. C. to honor Manager Carroll H. Jones on the anniversary of his 40th year with Fidelity Mutual Life. Seated (left to right) Jack Davis, Columbia; L. J. Doolin, assistant manager of agencies; J. R. Sykes, vice-president; Sam B. King, South Carolina commissioner; W. L. Talbot, president; Mr. Jones; Frank H. Sykes, vice-president; R. F. Tull, secretary; W. S. Hale, Atlanta manager; P. P. Chambers, Hartsville, S. C.

Standing—R. W. Hart, Jr., Greenwood; Henry Teckenberg, Charleston; William P. DuBose, cashier, South Carolina agency; W. B. Johnson, Atlanta; Ernest W. Machen, DeLand, Fla.; Harold Dillon, Atlanta; Mrs. J. S. Bamberg, South Carolina agency; F. G. Query, Georgetown; Y. C. Calvert, Columbia; Frank H. Holt, Atlanta; Horace A. Smith Jr., Atlanta; C. D. Henderson, Atlanta.